



HURUN INDIA WEALTH REPORT



2020

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Foreword

India has been one of the fastest wealth-creating economies in the world. According to the Hurun Global Rich List, the country has produced the third-most number of billionaires. Wealth creation does not happen in isolation, it rather requires a nurturing socio-economic environment with a well-functioning political ecosystem, a trait that is common in developed financial markets.

In Asia, Singapore's journey of becoming one of the richest countries in the world can be attributed to the former Prime Minister Lee Kuan Yew's foresight and wisdom. His strong financial and economic policies enabled a corruption-free government, and an investment-friendly environment where he also encouraged development of the technological sector. In today's trade world, innovation and speed are critical factors as how fast one innovates and upgrades determines one's success.

For the Indian wealth creation story to catapult a moon-shot, the GDP per capita needs to increase from the current levels of USD 1,876 to USD 3,000 in real terms. The wealth and prosperity of the general populace would have a



ANAS RAHMAN JUNAID
MD & Chief Researcher
HURUN INDIA

Foreword

significant impact on the economy, which will be evident at all levels including the grassroots as well. In such a scenario, one would see the potential of a highly competitive market of super-luxury brands across cities in India.

The Hurun India Wealth Report endeavours to give a blueprint of Indian wealth creation and aims to shed light on relevant questions such as where luxury consumers are located, which social class would eventually become the target consumers of luxury brands, and how luxury brands can strategize and plan to penetrate the Indian market. Although there have been many wealth reports in the market, Hurun's survey and independent research will provide unique insights to all stakeholders, including the luxury products service providers who are keen on developing an in-depth understanding of their target market.

Along with this report, we have also launched the Hurun Indian Luxury Consumer Survey 2020, which ranks the best luxury product/service provider solely based on an independent survey with Hurun's HNI stakeholders. Although this survey was conducted pre-Covid, it stands as a good indicator of the present situation on preferred brands by the super-rich. We hope the first edition of the Hurun India Wealth Report is not only insightful, but also satisfies your curiosity about India's wealth creation stories.

Happy Reading!

About Hurun India Wealth Report 2020

India has been known as the Golden Bird because of her abundance of natural resources, wealth and knowledge. These resources have been poisoned chalice for the sub-continent, resulting in massive pillage and plunder of wealth. For instance, the Persian ruler Nader Shah had looted precious jewels including the famous Kohinoor diamond, whereas the British East India Company had focused on robbing the economy of its valuable minerals and taxes. The history of colonization and annexation by imperialists has had far-reaching implications, some of which are felt even today. While Nader Shah's invasion commenced the end of the Mughal empire, the British East India Company pushed the country and its population to crippling poverty, making India move from 'Riches to Rags'. However, the new India has been surging forth in alignment with the proverbial phoenix rising from its ashes.

The Indian civilization has always worshipped Goddess Lakshmi (known as the Goddess of 'Wealth and Prosperity') and Kubera (the keeper and distributor of wealth). Century-old Indian beliefs demonstrate the importance of wealth creation that cuts across generations. According to the IIFL Wealth Hurun India Rich List, the number of billionaires in India has doubled since 2013. The number of individuals in the IIFL Wealth Hurun India Rich List, which tracks the list of top entrepreneurs with a net worth of INR 1,000 crore, has increased from a mere 100 in 2013 to around 827 in 2020. The number of self-made women entrepreneurs in this list has increased from 1 to 25. India now occupies the third spot in the Hurun Global Rich List 2020, in terms of the country producing the most number of billionaires.

About Hurun India Wealth Report 2020

This exponential rise in Indian billionaires is directly proportional to the entrepreneurial successes in the country. For an individual to be wealthy, his/ her underlying assets and businesses have to do well. If these entrepreneurs do well, it brings wealth to the country. Whilst Hurun Rich List tracks these wealth creators and celebrates their success stories, the objective of Hurun India Wealth Report is to speak about the scale of wealth distribution. Through a survey of 449 ultra-high net worth individuals, the report attempts to understand the various lifestyle and investment interests of these wealth creators.

Importance Of Wealth Generation By High Net Worth Individuals

Initially in the post-independence era, India's policymakers had framed economic policies wherein the state had maximum control over the country's transactions. The industrialization-focused policy frameworks were expected to ramp up the wealth of the nation through state-regulated financial, economic, and investment policies that eventually turned out to be a poisoned chalice.

The government policy of 'License-Raj' had crippled the functioning of the private industries. To complicate matters, the bureaucratic red-tape structure prevented India from reaching its full economic potential. Right from the 1948 Industrial Policy Resolution to the nationalization of General Insurance business in 1973, the state exercised its maximum control over the economic affairs of the country. India's borrowing capacity had weakened due to the unchecked development expenditure with a widening negative gap in the balance of payments position.

This was succeeded by a decade of major economic reforms. In 1991, India's economic policies were restructured and reframed and subsequently opened the gates for the country's private players to participate actively in the market. The 'new' wealth creators emerged in the form of industrialists and investors. India had forex reserves of merely USD 1.2billion in January 1991, and yet it made its presence felt in the global economy by increasing the same to USD 584billion in less than three decades. Since then, these ultra-high net worth individuals have played an impactful role in steering India's economic growth towards the right direction.

Importance Of Wealth Generation By High Net Worth Individuals

The wealth creation and spending patterns of the high-net-worth individual households have made a large impact on the economy. The United Nations Multidimensional Poverty Index of 2020 revealed that 271 million people moved out of poverty in India in the last 10 years. This positive movement was possible due to the increased private participation in the economy. To put it simply, the ultra-rich individuals have a thicker wallet, they make valuable domestic investments, they contribute to the public funds via higher taxes, and often donate to foundations and charities.

At present, some of the most successful enterprises are led by ultra HNIs. Recent investments in the Mukesh Ambani-led Reliance Jio by Google, Facebook, KKR, Vista, and several others reiterate the aforementioned point. Along with it, the dawn of the previous decade has got the ball rolling for the start-up boom in India.

Doing business is comparatively hassle-free due to the easing of governmental rules and regulations. Recently, the Hurun India Unicorn List 2020 reported that India is home to 34 unicorn start-ups in the world. Given the large size of the foreign funds that these ventures attract, India's start-up segment seems to paint a picture of a new India.

Wealth Segments

There are two broad segments of wealthy households in India. The lower part comprises households having work compensation income, along with fixed deposits, real estate and equity investments as their primary source of income. On the other hand, the upper segment of the wealth pyramid is observed to have inherited wealth, real estate possessions, primary business earnings and a diverse equity investment portfolio as its sources of income. The Indian millionaire household club is observing a surge in the number of entrants. Hurun India Wealth Report estimates that there are 4,12,000 dollar-millionaire households or affluent households, currently in India. These households have a net worth of at least INR 7 crores. The next category has the millionaire households, who possess net worth of INR 10 crores or more - abbreviated as the 'HNI household' category. Above the HNI category is the Ultra-HNI and International UHNI household categories, that have minimum wealth of INR 100 crores and INR 200 crores, respectively. The top two occupants of the India wealth pyramid are the billionaire households and the Hurun Rich List households. The former comprises of the wealthiest households in India, that have a net worth of INR 7,000 crores or more. Lastly, the subsequent class, i.e., households covered under the Hurun India Rich List possess a minimum wealth of INR 1,000 crores.

The Hurun India Wealth Report defines middle class households as those having earnings of more than INR 2.5 lacs per year (INR 250,000) and with a net worth of less than INR 7 crores. It is estimated that around 564,00,000 families in India fall under this category.

Wealth Segments

The New Middle Class is defined as having earnings of more than INR 50 Lacs (INR 5,000,000) and a net worth of less than INR 7 crores. The number of New Middle Class households in India is estimated to be around 633,000. The highest proportion of the middle class segment in the country is found in Delhi, followed by Punjab, Gujarat and Maharashtra.

Wealth brackets of HNI households

Household Categories	WEALTH BRACKETS	Cumulative Households
Billionaire	USD 1bn	200
Hurun Rich Lister	INR 1000Cr	3,000
International UHNI	INR 200Cr	13,000
UHNI	INR 100Cr	23,000
HNI	INR 10Cr	2,94,000
Affluent	USD 1mn	4,12,000
New Middle Class	-	6,33,000
Middle Class	-	5,64,00,000

Source : Hurun India Wealth Report 2020
Hurun Research Institute

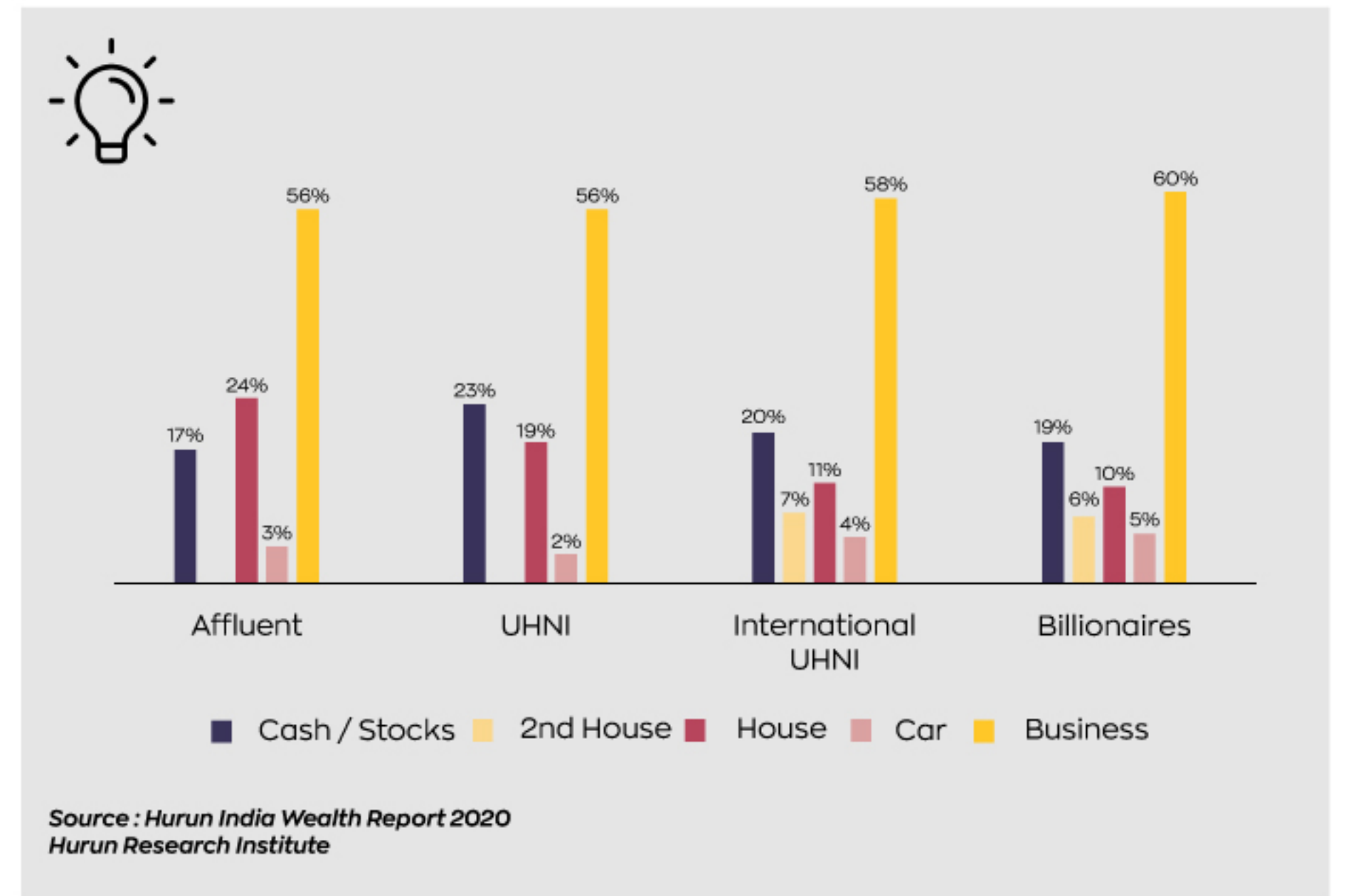


Investible Assets

Selecting the right assets for investment is a tricky business. This process sets the wealthy class apart. We profiled the millionaire households based on their favoured asset allocation.

Business Owner

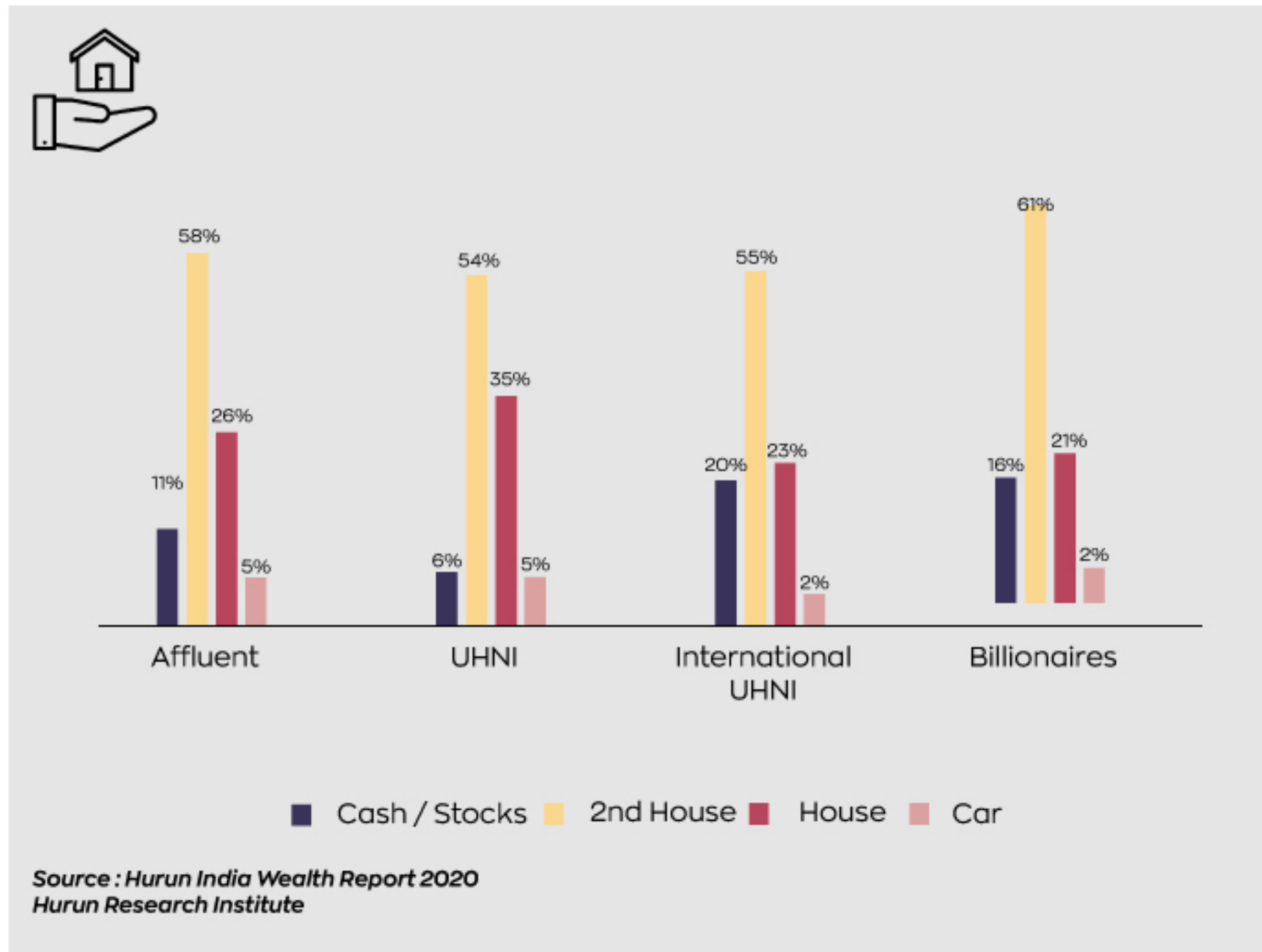
The first one being that of businesspersons. These individuals and their households allocate higher portions of their wealth towards their primary business activities. The other major consumers of their investible wealth include cash reserves, equity stocks, and primary residence.



Investible Assets

Real Estate Owner

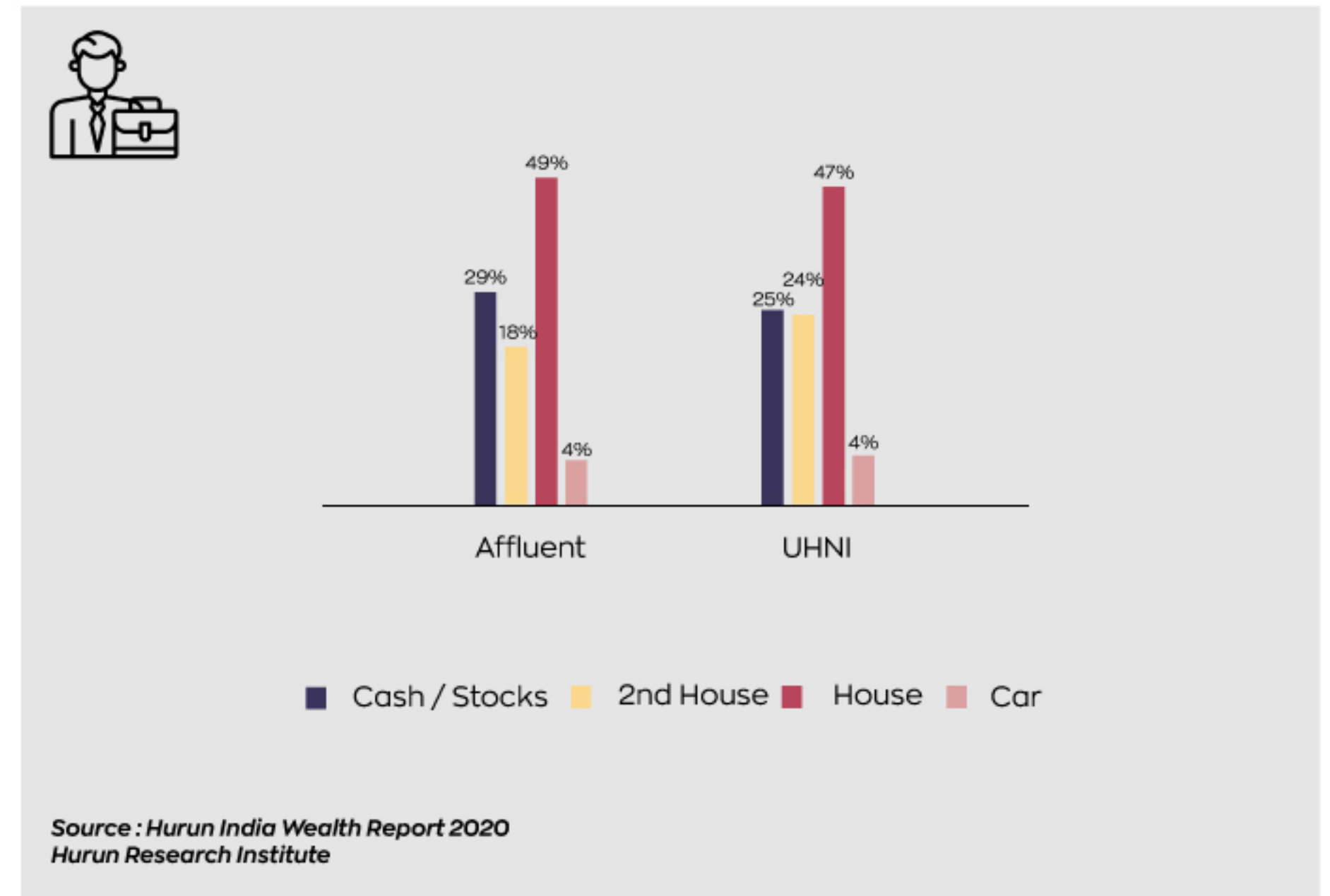
Households generating wealth from their real estate possessions occupy the second category. On average, real estate owners allocate 83% of their wealth towards owning real estate properties.



Investible Assets

Golden Collar - Salary Driven

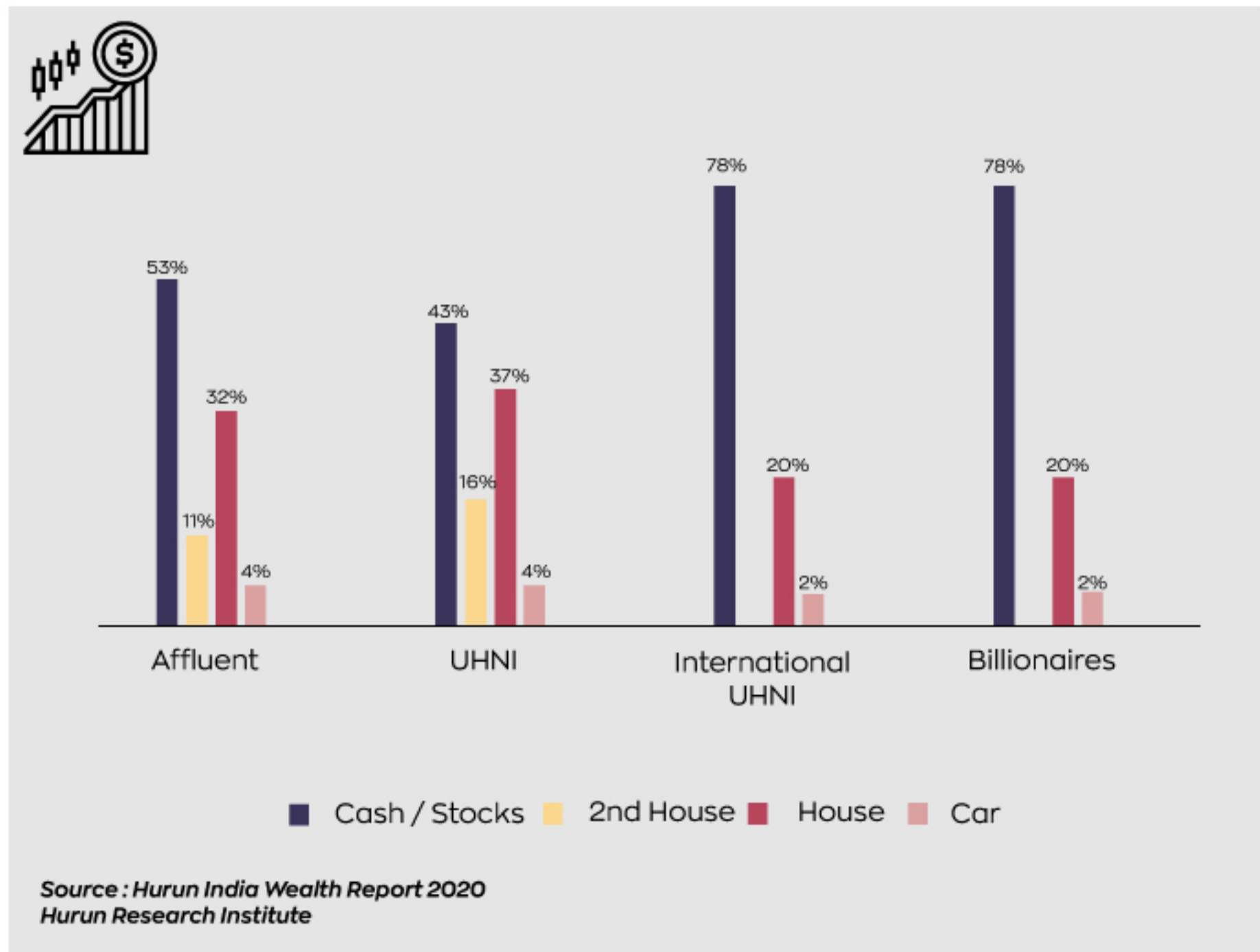
This is followed by the salary-driven millionaire households, better known as the 'Golden Collar' households. It is safe to conclude that this category of households has been earning an eight-digit salary per annum for at least five years.



Investible Assets

Stock Market King

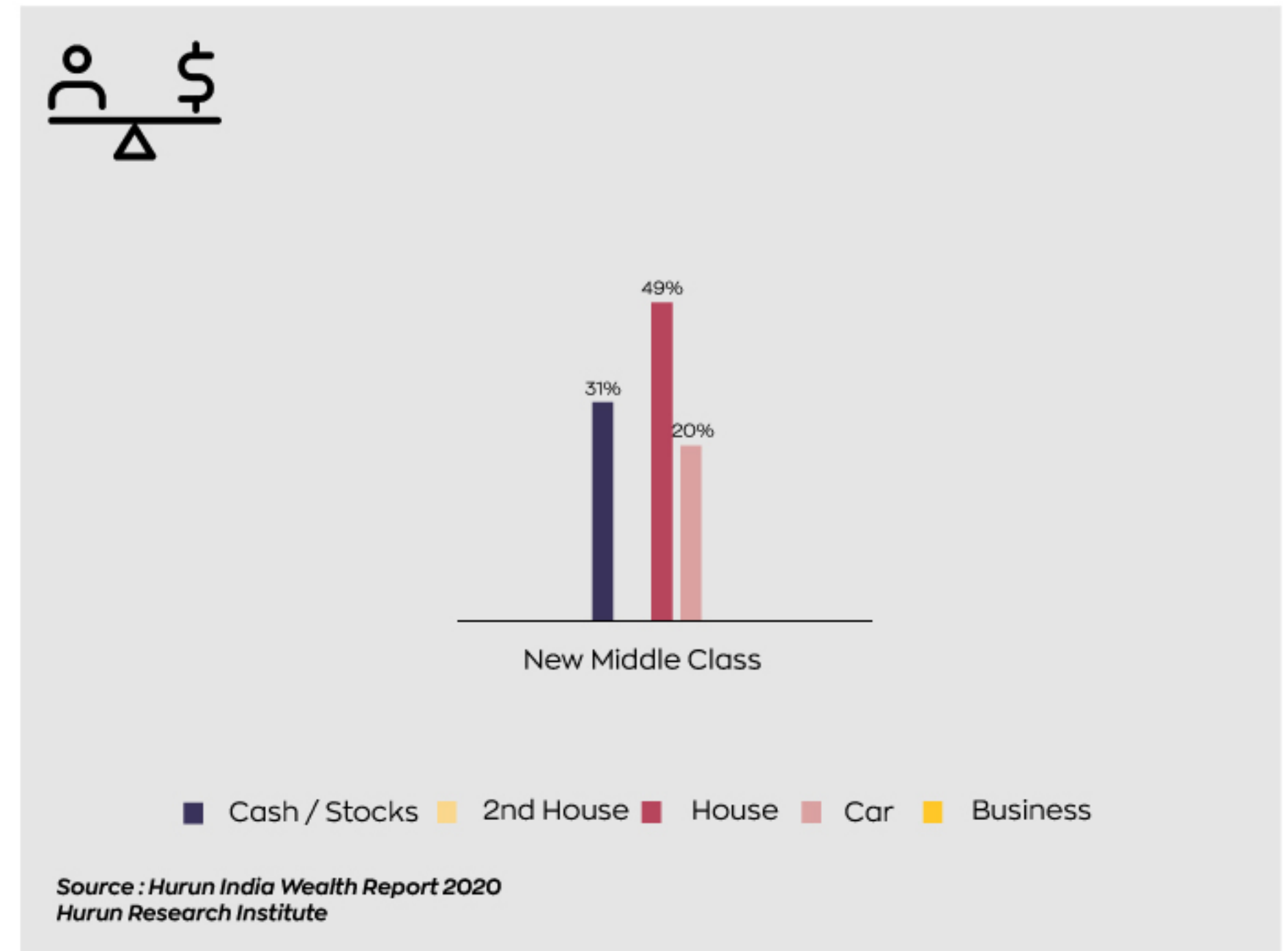
The fourth category comprises of the 'Stock Market Kings'. These households invest actively in the stock markets since it is their primary source of revenue. Nearly two-thirds of their wealth is devoted to stock market investments. Given the scale of these investments, the upper-level households in this category, i.e., the international multi-millionaire households and above, hire wealth management firms to look after their investment portfolios.



Investible Assets

New Middle Class

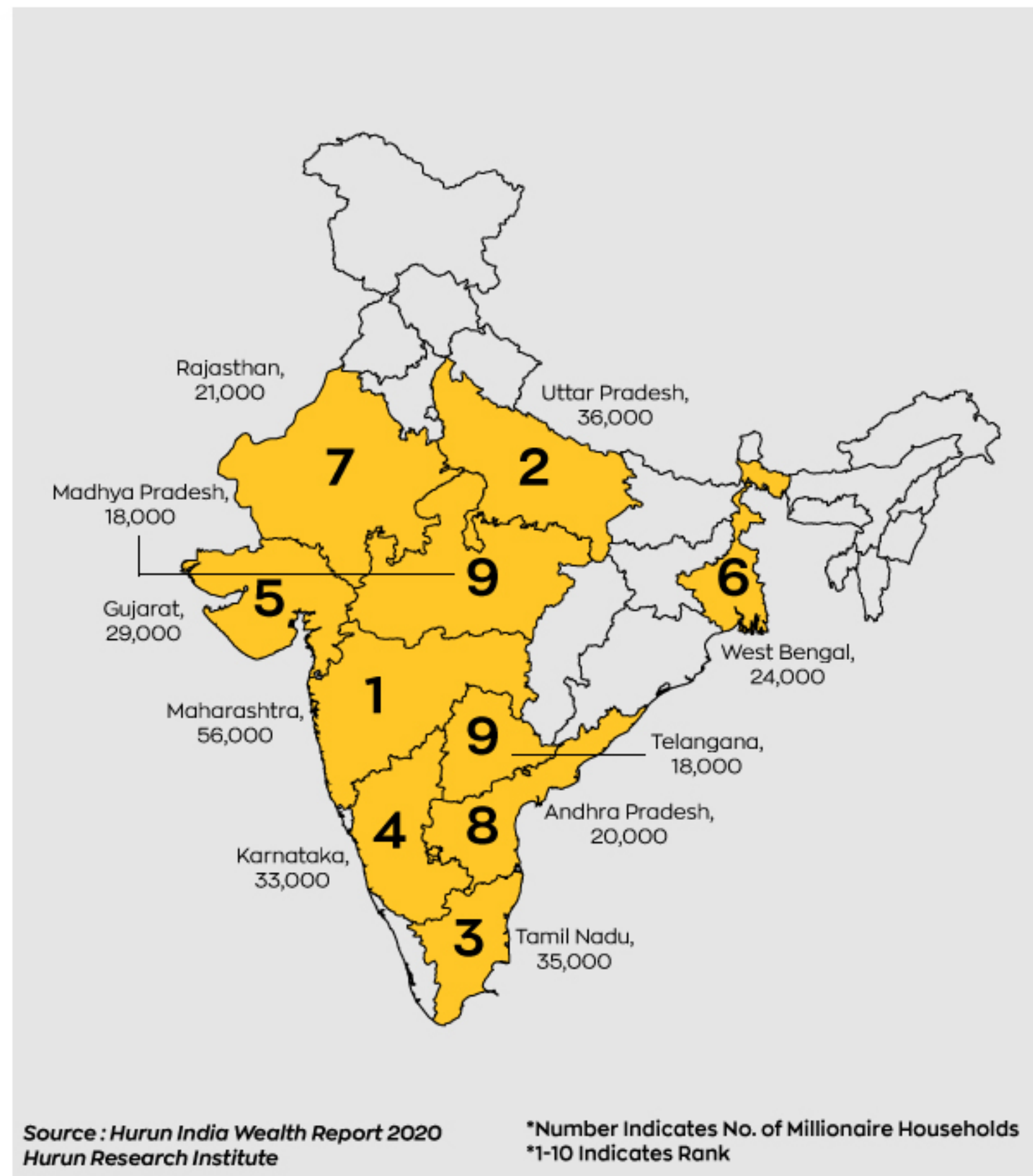
Amongst all these categories, we identified a novel household category, which is at the base of the wealth pyramid known as the 'New Middle Class'. With an average savings of INR 20 lakhs (INR 2,000,000) per year, this category has major allocations towards physical assets such as primary residential property and automobile.



Geographic Distribution Of Wealth

State-Wise Distribution Of HNI Households

The top 10 states are home to 70.3% of millionaire households in the country. Maharashtra has the highest number of millionaire households, followed by Uttar Pradesh. Around 46% of the millionaire households reside in the top 5 states, viz., Maharashtra, Uttar Pradesh, Tamil Nadu, Karnataka, and Gujarat.



Maharashtra ranks first with 56,000 millionaire households. The state generates the highest GSDP in India. For the financial years 2015-16 to 2019-20, Maharashtra registered an average annual GSDP growth rate of 13.16%. Maharashtra is home to 247 individuals in the IIFL Wealth Hurun India Rich List 2020 and is the most preferred residence for “India Rich Listers”.

Uttar Pradesh is home to 36,000 millionaire households. The state’s economy has grown at a CAGR of 9.5% from the previous decade. Noida, an emerging city, is home to major Indian businesses. It contributes around 10% to the state’s GSDP. Given the rich agricultural base and diverse labour force present in the economy, the state has a high potential to top the economic charts in the country in the coming years.

The vibrant South Indian state of **Tamil Nadu** holds the third position in terms of the preferred state of millionaire residence. 35,000 households from the state have an income of more than US 1mn. In the past five years, i.e., from FY 2015-16, the state’s GSDP has observed a CAGR of 12.2%. 65 individuals from Tamil Nadu feature in the IIFL Wealth Hurun India Rich List 2020.

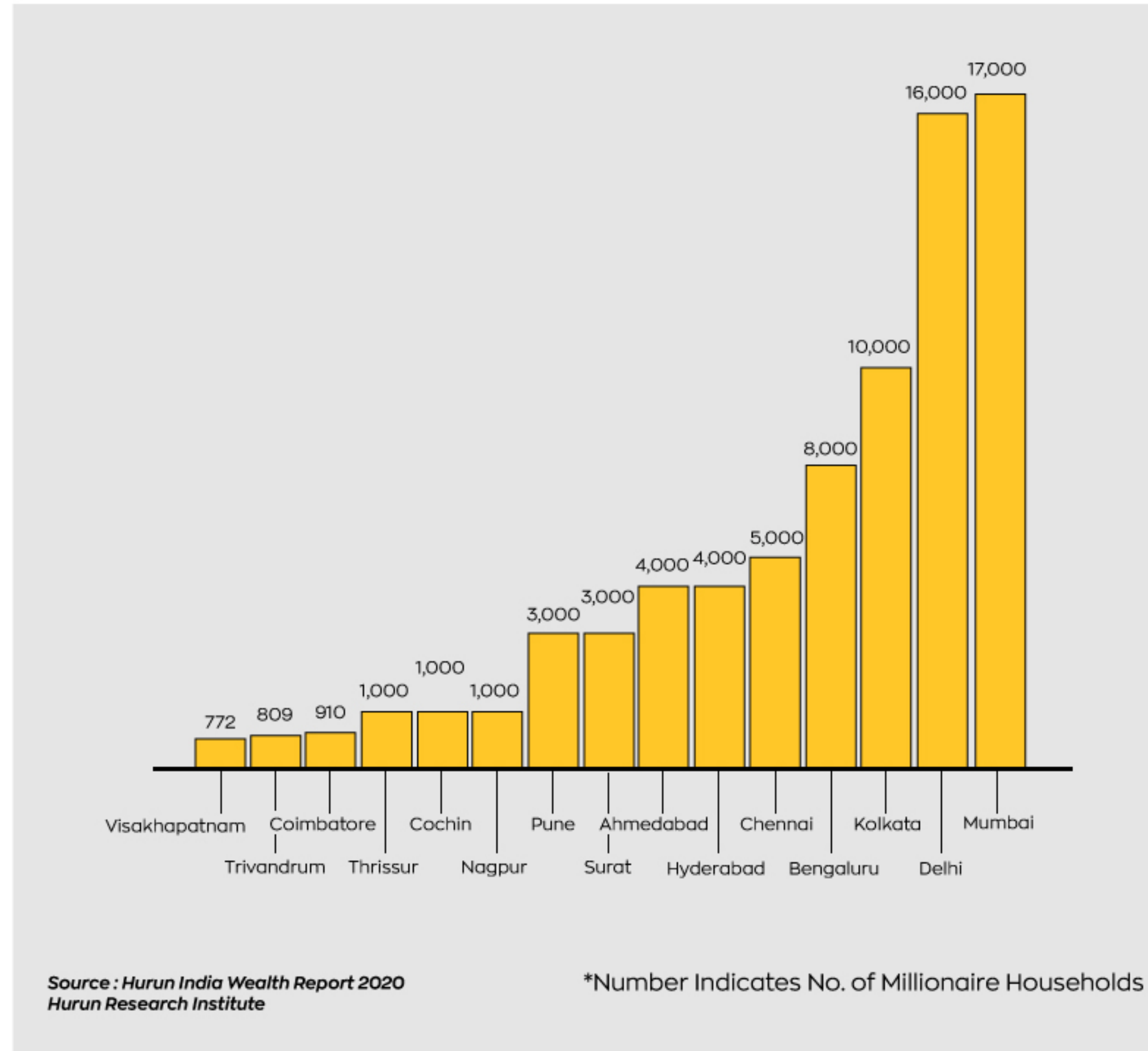
Karnataka ranks fourth with 33,000 millionaire households. The state’s income has grown almost at the rate of 11.5% YoY. Karnataka’s per capita income increased by 11 times in the last 2 decades. 72 individuals from Karnataka feature in the IIFL Wealth Hurun India Rich List 2020.

Considered one of the major industrialized states in India, **Gujarat** is estimated to have a GSDP of INR 18.9 trillion for FY 2020-21. The total number of millionaire households in the state sum up to 29,000. 60 individuals from Gujarat feature in the IIFL Wealth Hurun India Rich List 2020.

Geographic Distribution Of Wealth

City-Wise Distribution Of HNI Households

The financial capital of India, **Mumbai**, holds the number one position in the city-wise ranking of millionaire households. 16,933 millionaire households, the highest in India, reside in the city. With the Reserve Bank of India, the Bombay Stock Exchange, the National Stock Exchange of India, and the SEBI, the city of Mumbai generates 6.16% of the country's total GDP.



Delhi has the second-highest number of millionaire households, with 16,000 millionaire households in the country's capital. The city's economy thrives on its real estate and tourism businesses. From FY 2015-16 to 2019-20, Delhi's gross state domestic product improved with an 11.8% CAGR. 129 individuals from New Delhi feature in the IIFL Wealth Hurun India Rich List 2020. The country's capital contributes 4.94% to the total GDP of the country.

Kolkata ranks third with 10,000 millionaire households and is home to 32 individuals who have featured in the IIFL Wealth Hurun India Rich List 2020. Often referred to as the financial center of Eastern India, the city has an estimated annual GDP per capita growth rate of 4.5%. 41.5% of the millionaire households of West Bengal are located in Kolkata. The city's economy is more than US 250 billion nominal GDP, making it the third most-productive metropolitan area in India, after Mumbai and Delhi. Kolkata's nominal GDP in 2020 was US 250.447 billion.

India's Silicon Valley is **Bengaluru**, which has around 7,582 millionaire households. Bengaluru has a massive share of 98% in Karnataka's software exports, besides contributing 87% to Karnataka's economy. Bengaluru is the hub for India's US 150 billion tech sector, which accounts for nearly 10% of the country's GDP. It is also home to the largest number of tech start-ups in the country.

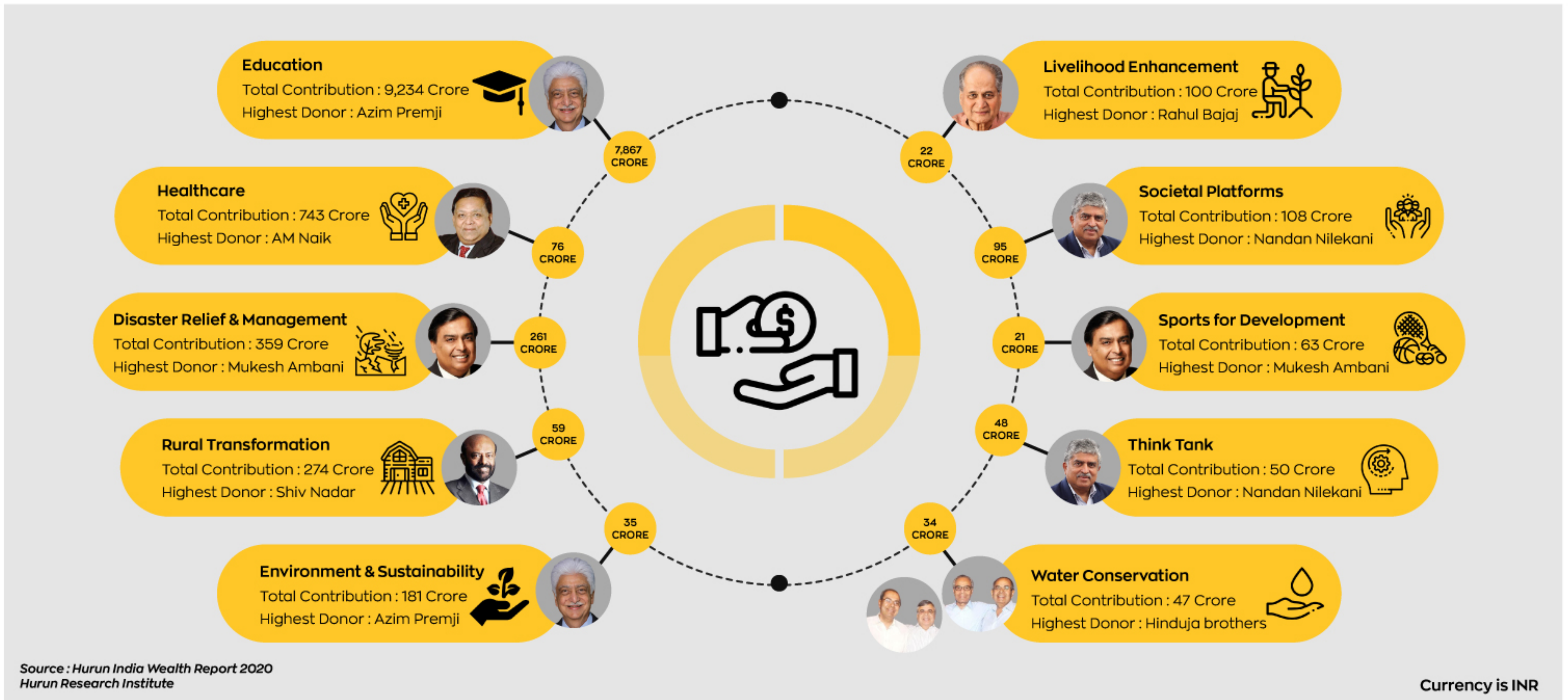
One of the emerging Indian cities is **Chennai**, which has 4,685 millionaire households. 37 individuals feature in the IIFL Wealth Hurun India Rich List 2020. 14% of the millionaire households of Tamil Nadu reside in the State's capital city. Chennai has an estimated GDP of US 78.6 billion and contributes 14% to the country's information and technology services making it the second-largest exporter in the IT and BPO sector.

Philanthropy by the HNIs

The Hurun Report India publishes the 'EdelGive Hurun India Philanthropy List' every year, highlighting the country's philanthropists and their activities. 'EdelGive Hurun India Philanthropy List 2020' features individuals who have donated INR 5 crores or more during the period under review.

Donations By HNIs Towards Philanthropic Causes For 2020

With 79% of donations, the **education** sector remains the most favoured philanthropic cause followed by **healthcare (5%)** and **disaster relief and management (3%)**. Education has been the biggest cause that donors have supported not only in India but also in Hurun's Global Philanthropy List. Healthcare and water conservation witnessed a spike in donations compared to last year. In 2021, much of the donations could be towards healthcare, due to the Covid.

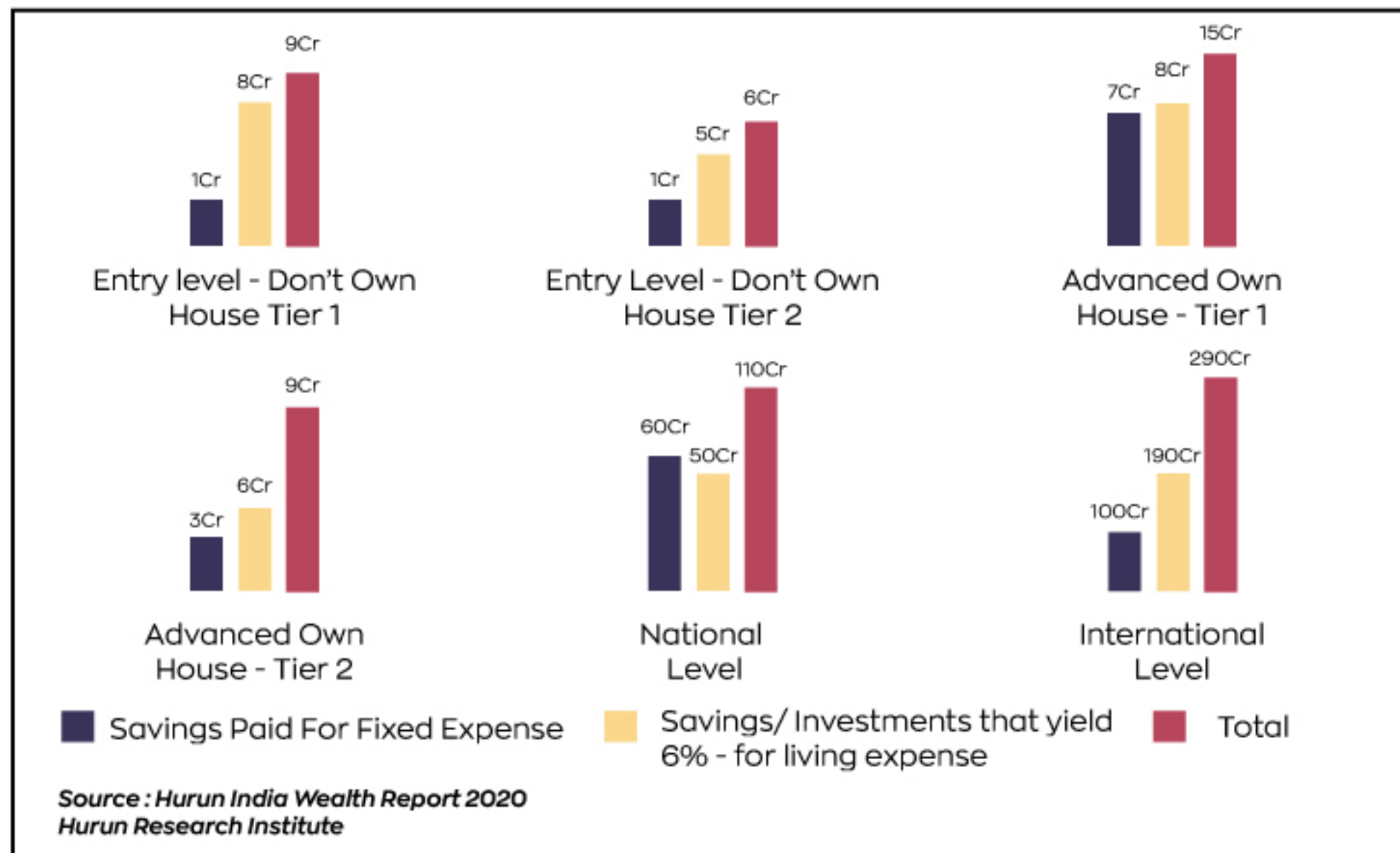


How much is enough?

British economist Alfred Marshall states, 'during the course of consumption, as more and more units of a commodity are used, every successive unit gives utility with a diminishing rate, provided other things remaining the same; although, the total utility increases'.

It is interesting to find out whether one can apply the law of diminishing marginal utility to higher-levels of wealth. A study by Harvard Business School suggests that millionaires believe in increased wealth being directly proportional to increased happiness. This statement is more likely to be realized once they have earned the desired level of wealth.

According to the law, with every additional increase in consumption, the marginal utility derived from that additional unit of consumption diminishes. The chart below depicts the millionaire categories and attempts the quantum of financial assets that would be required to maintain their current lifestyle. The chart also depicts the financial independence based on lifestyle goals.



Hurun Indian Luxury Consumer Survey 2020

Introduction

Since an overall view of the major wealth creators and their geographical status has been presented, the report's aim is to acquaint you with millionaire-specific insights. For the past two years, the Hurun Report India has published the 'Hurun Indian Luxury Consumer Survey'. The report captures and tries to understand the changing pattern and preferences of lifestyle, consumption habits and brand awareness of millionaires in India.

We have continued this practice this year as well. During the period from June to July, we surveyed some leading millionaires of the country. Broadly speaking, the survey answers two major questions:

- a) What is the lifestyle of Indian millionaire households?
- b) What drives their investment decisions?

To understand the spending trends of millionaire households, we use the IIFL Wealth Hurun India Rich List 2020, which features 827 richest Indians, The Hurun India Real Estate List, and The Hurun India Women List. Below is a summary of the findings of the survey results:

The average age of the survey respondents is 35 years old, with males and females accounting for 84% and 16% respectively. 72% are married, 21% are unmarried, and 7% are divorced. Their wealth sources are composed of investment, dividends, and wages. They come from many provinces and cities of India such as Delhi, Bengaluru, Mumbai, and major second-tier cities and overseas cities, of which 64% are in the north and south.

Lifestyle

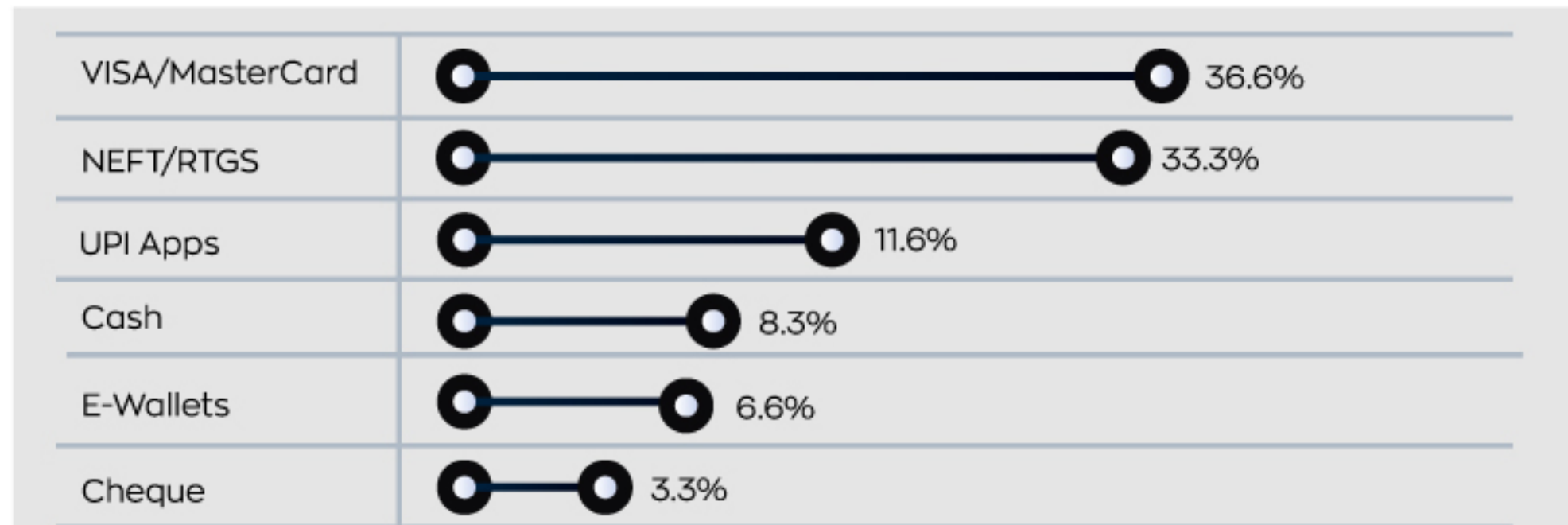
American business philosopher Jim Rohn once said, 'Lifestyle is not an amount, it is a practice.' Indeed, the rich tend to practice quality over quantity.



Payments

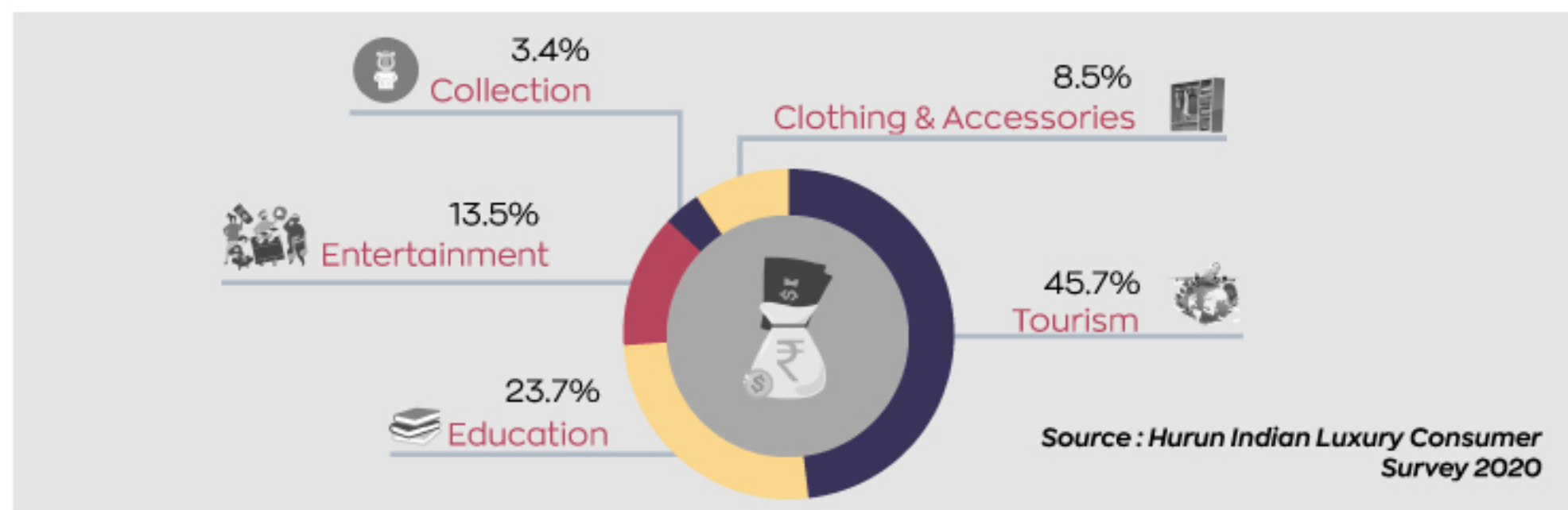
75% of HNI's lifestyle related spending is consumed by travel and tourism activities and their children's education costs. These high valued spending transactions by the ultra-rich individuals require credible methods of payment. While Visa and MasterCard are regarded as highly credible modes of payment by them, the relatively modern money transfer methods such as NEFT and RTGS are also gaining the preferences from HNI's. Other major spending activities include leisure and entertainment, collection of art and antiques, and purchases of clothing and accessories.

Popular Payment Method



Source : Hurun Indian Luxury Consumer Survey 2020

Major Consumption Of Income

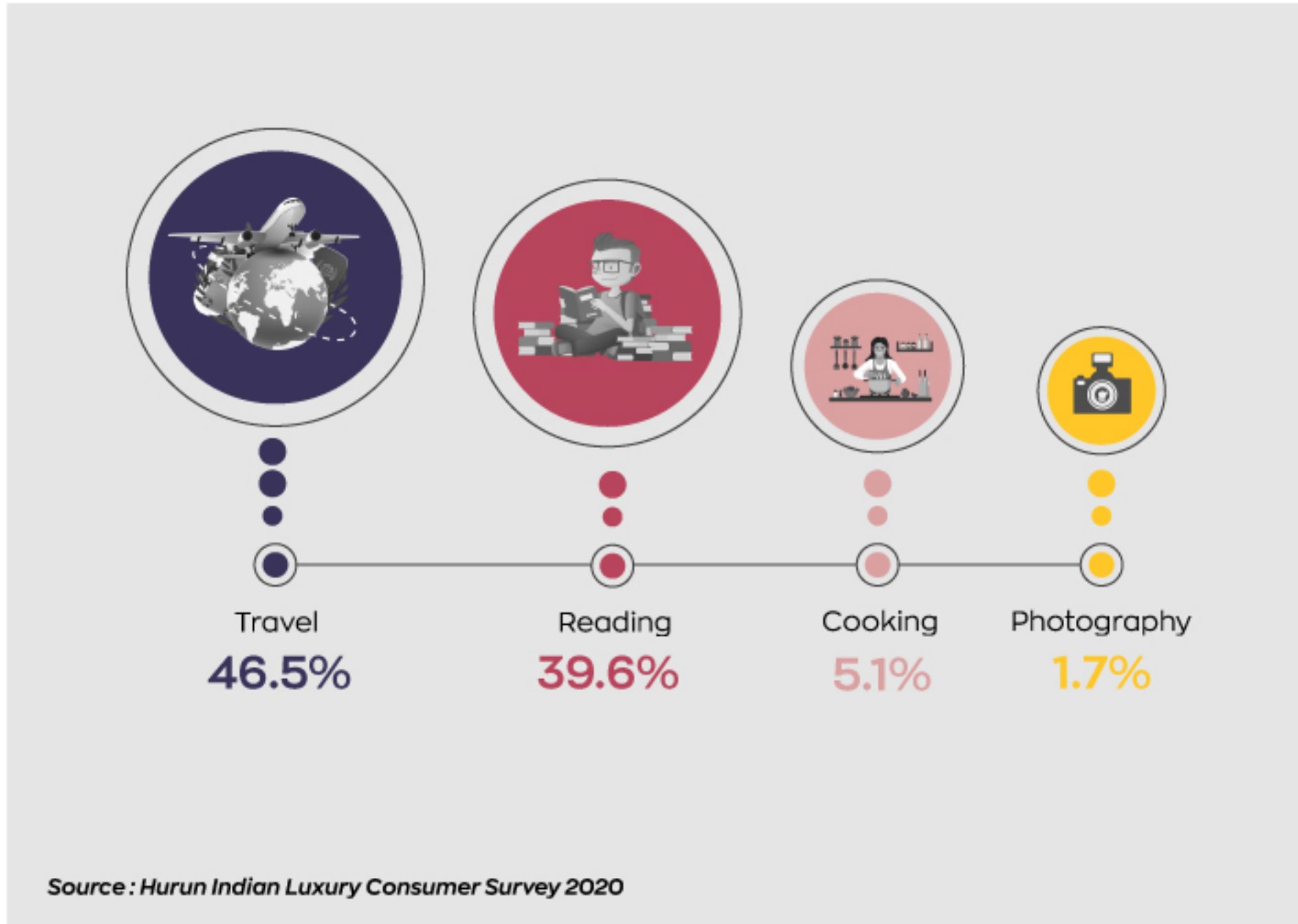


Source : Hurun Indian Luxury Consumer Survey 2020

Leisure And Entertainment

Book reading seems to be a crucial ingredient in the success recipe of ultra-rich people. Multi-billionaire Bill Gates, in one of his interviews once mentioned that he devotes an hour daily to read books. Similarly, when we asked India's HNI's to name some of their favourite leisure activities, 39% mentioned reading books as one of them, apart from travelling, cooking and photography.

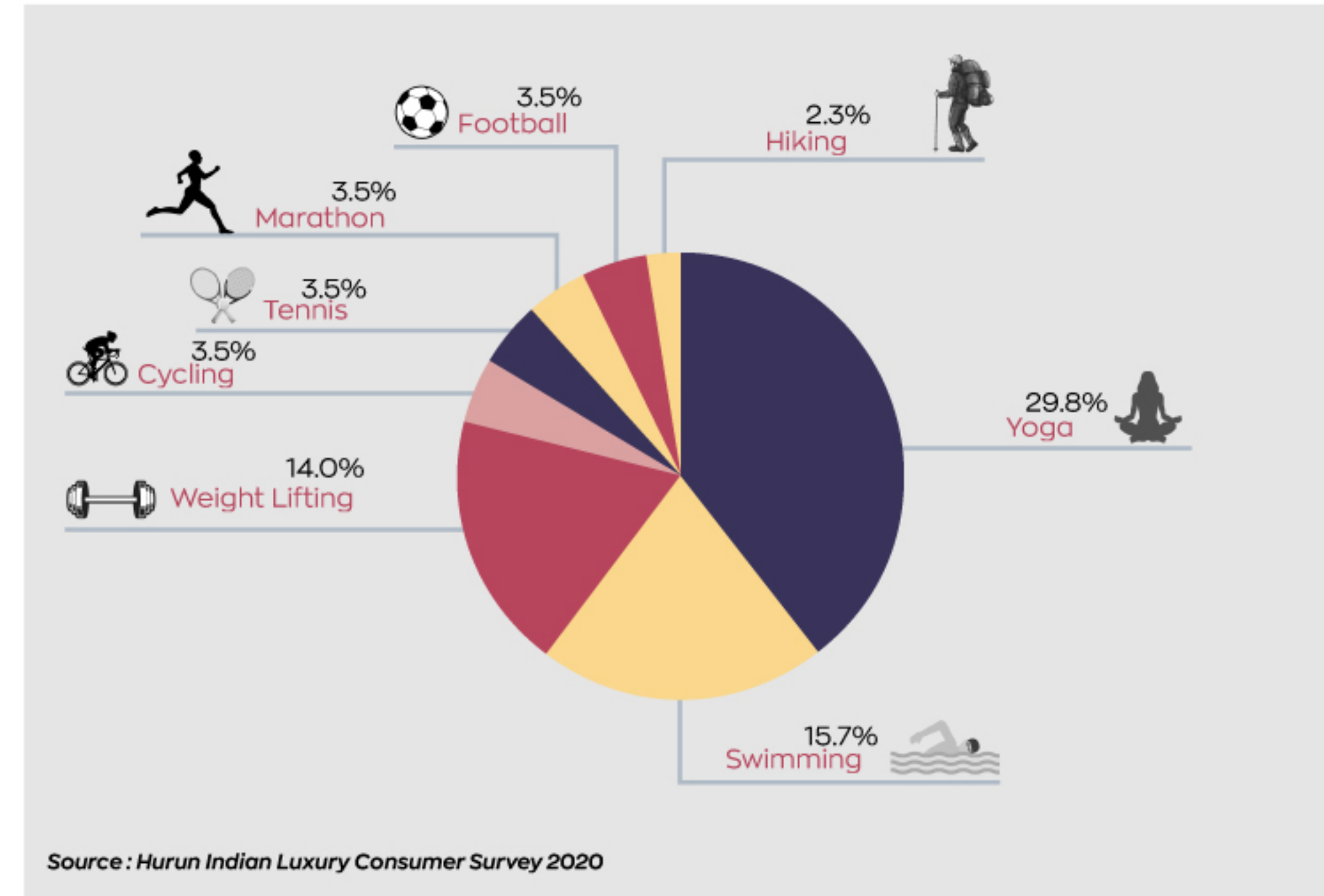
Popular Things To Do In Leisure



Health & Fitness

Along with staying updated mentally, the HNI community indulges in regular physical fitness activities as well. India's Prime Minister Narendra Modi and many other Indian celebrities are actively promoting fitness through Yoga. Around 30% of respondents practice Yoga as their preferred fitness activity followed by swimming and weight lifting.

Popular Sports Activity



Experience/Adventure Plan

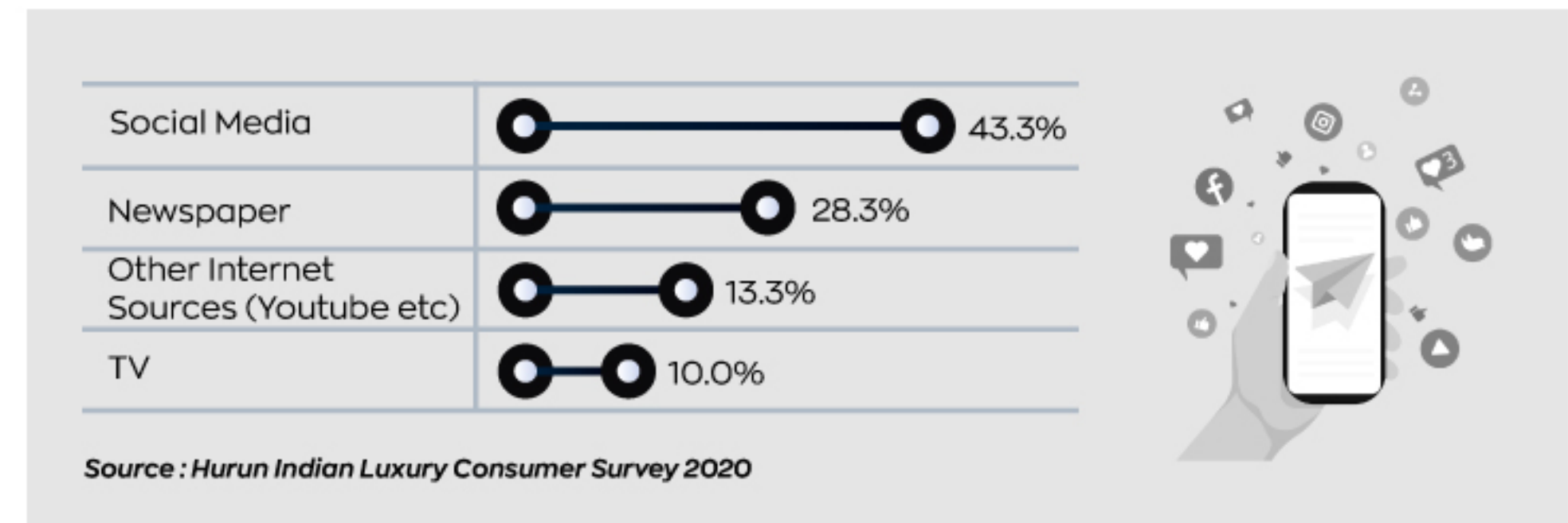
Interestingly, 16% of respondents surveyed intend to try 'Hot Air Ballooning' followed by 'Skydiving' and 'participating in a marathon' at second place in the list.

Activities That HNIs Would Like To Try In Next Three Years



Information Channel

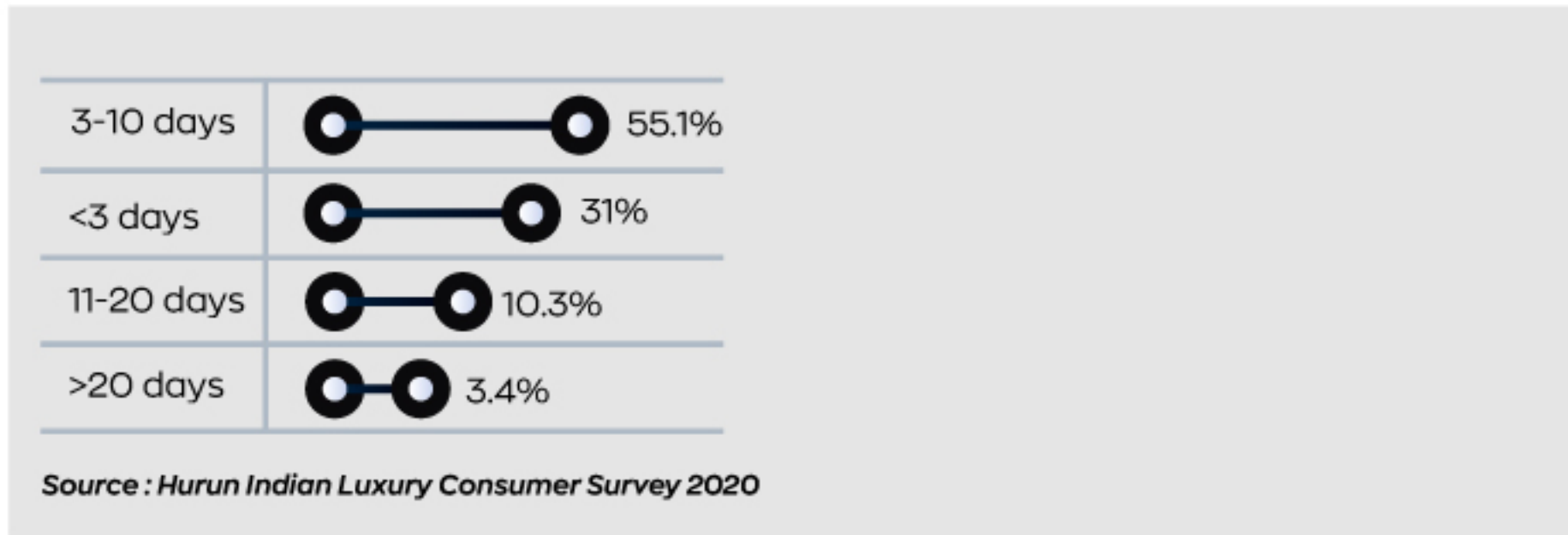
In order to excel in their professional and business world, the HNI's rely on a diverse range of information sources. With the advent of the internet, one can observe an increased dependence on social media for consuming news. In spite of that, traditional news sources such as newspapers have still managed to cater to nearly 28% of the HNI community.



Business Trips & Vacation Destinations

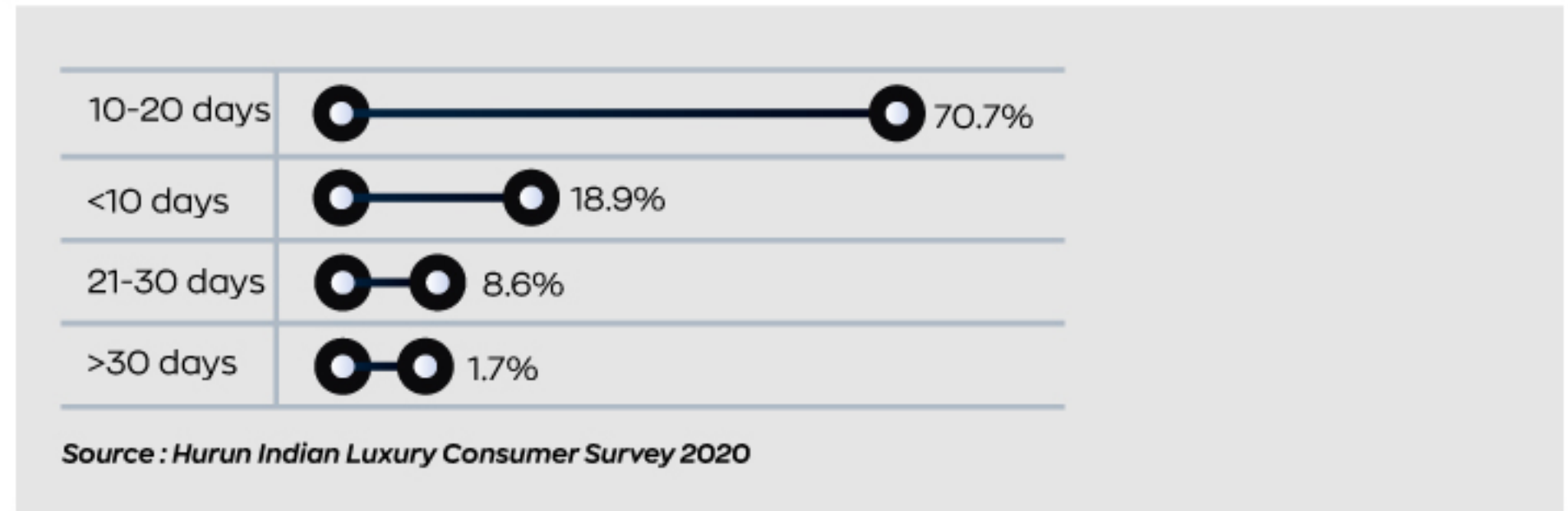
On an average, quite a few HNI's conduct business-related travels for three to ten days per month, and holidays for ten to twenty days every year. Recently, 'luxury tourism' has been making a place for itself in the travel industry. Usually, HNI's desire customised travel experiences for themselves. This particular segment of tourism provides them with just that. UK's mighty royal palaces and Switzerland's Swiss Alps attract majority of the Indian HNI community as the preferred international travel destinations. Domestically, Goa is the most preferred travel destination by them.

Number Of Business Trips Per Month

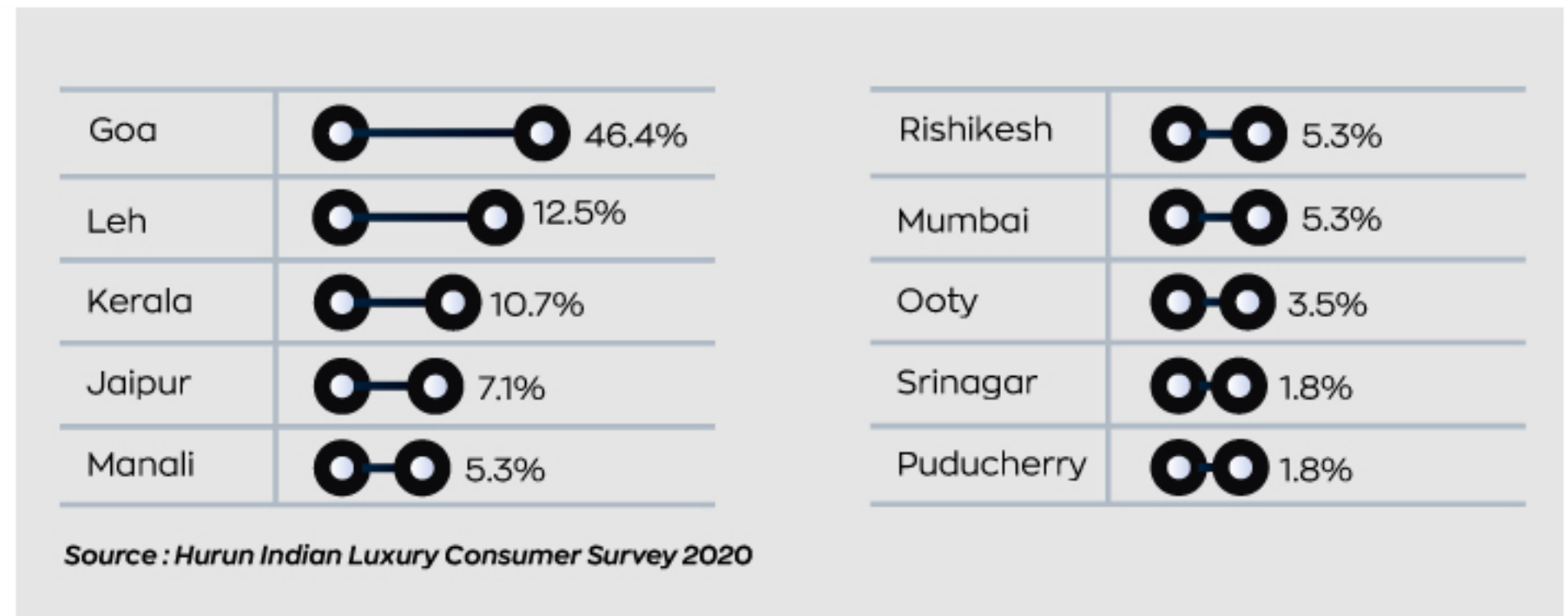


Vacation destination

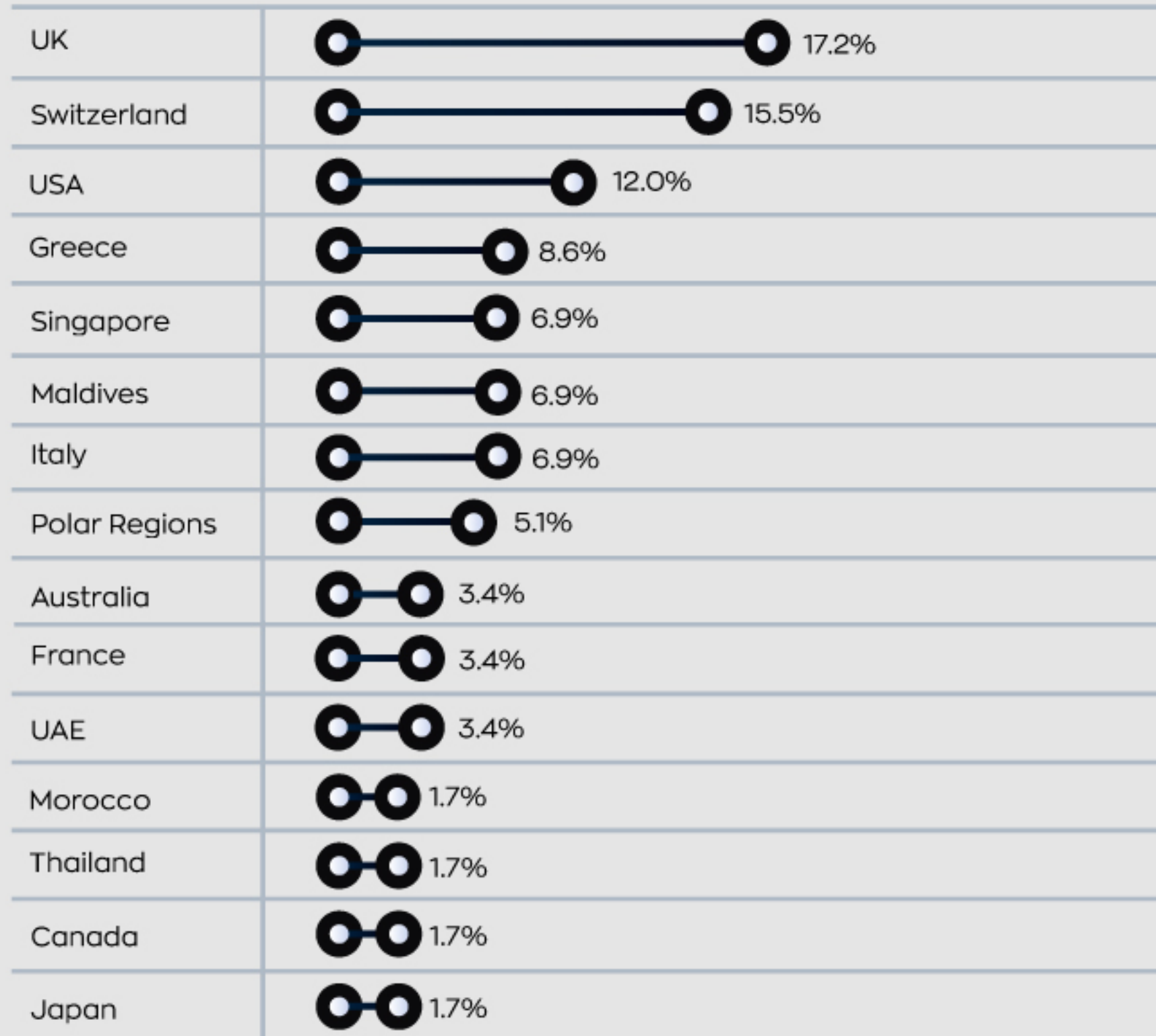
Average Number Of Days For Annual Vacation



Popular Domestic Travel Destination



Popular Overseas Travel Destination

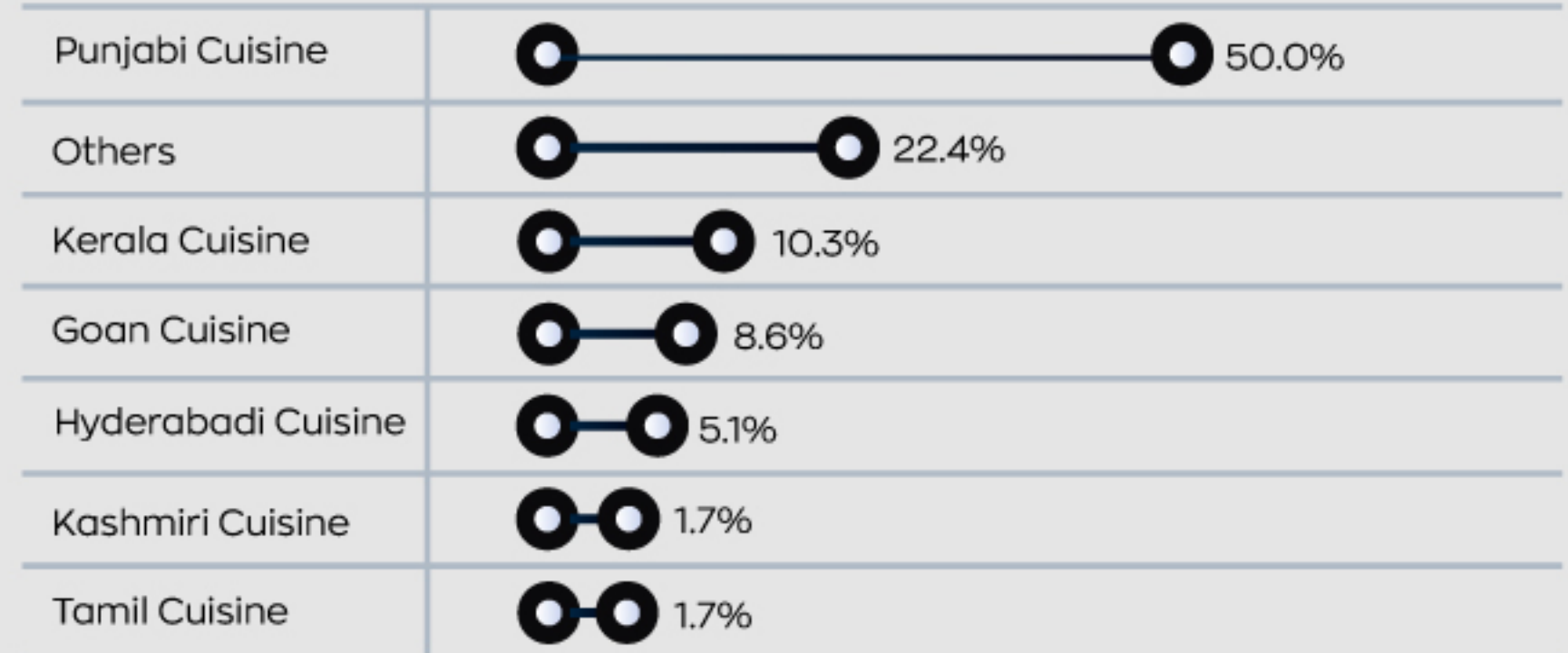


Source : Hurun Indian Luxury Consumer Survey 2020

Food Preferences

In a culturally diverse country like India, one is spoilt with a vast variety of food cuisine choices. In the survey, Punjabi cuisine tops the 'preferred Indian cuisine' charts, with almost 50% of the ultra-rich being fond of the same.

Popular Indian Cuisine

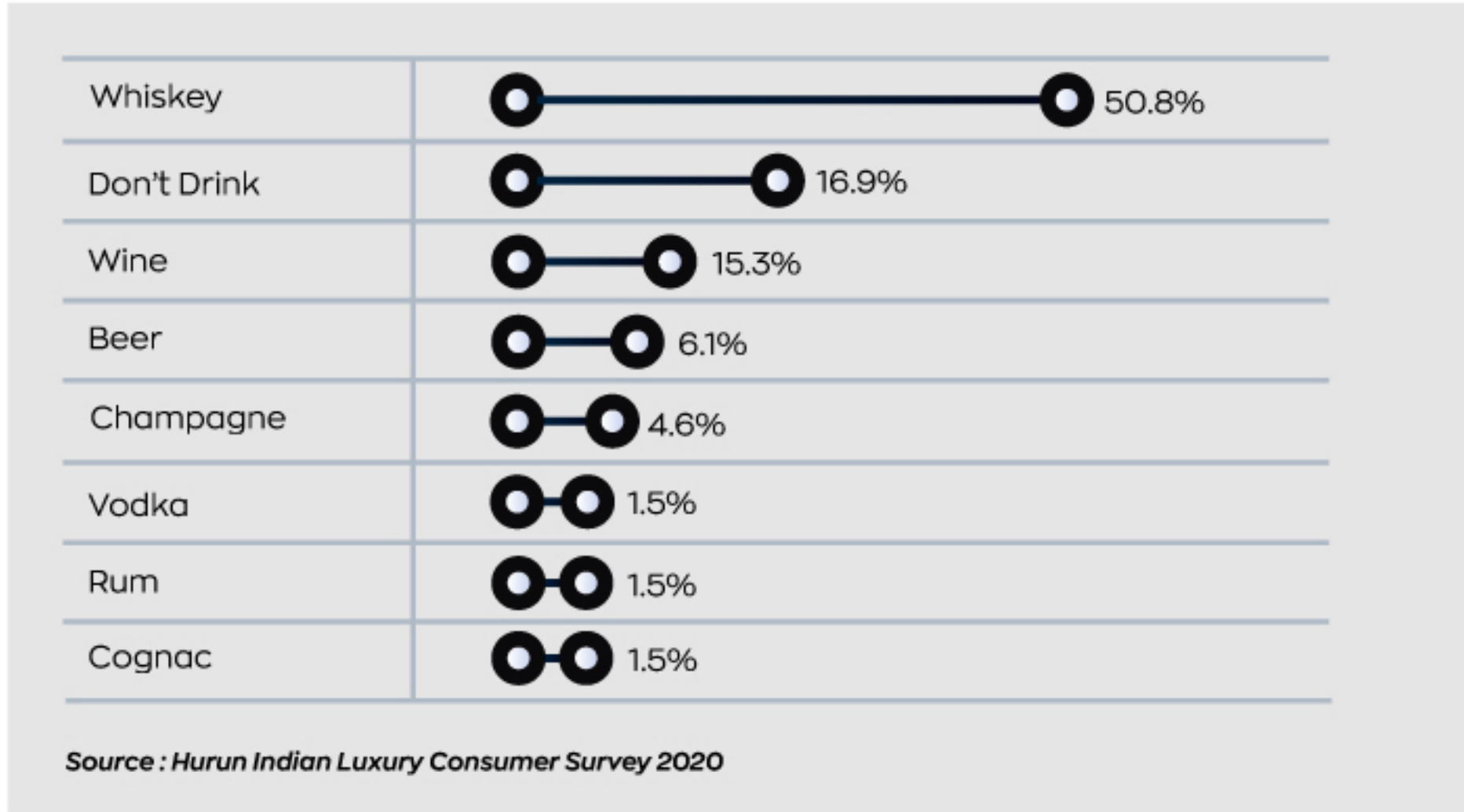


Source : Hurun Indian Luxury Consumer Survey 2020

Drinks

Most Preferred Alcohol

Majority of the HNI's have a taste for whiskey and wine. Sula was particularly the most popular and highly sought-after Indian spirit brand by HNI's. Johnny Walker and Chivas were selected by the respondents under the imported spirits category. Vintage brands such as Dom Pérignon is the most desired Champagne brand by the wealthy.

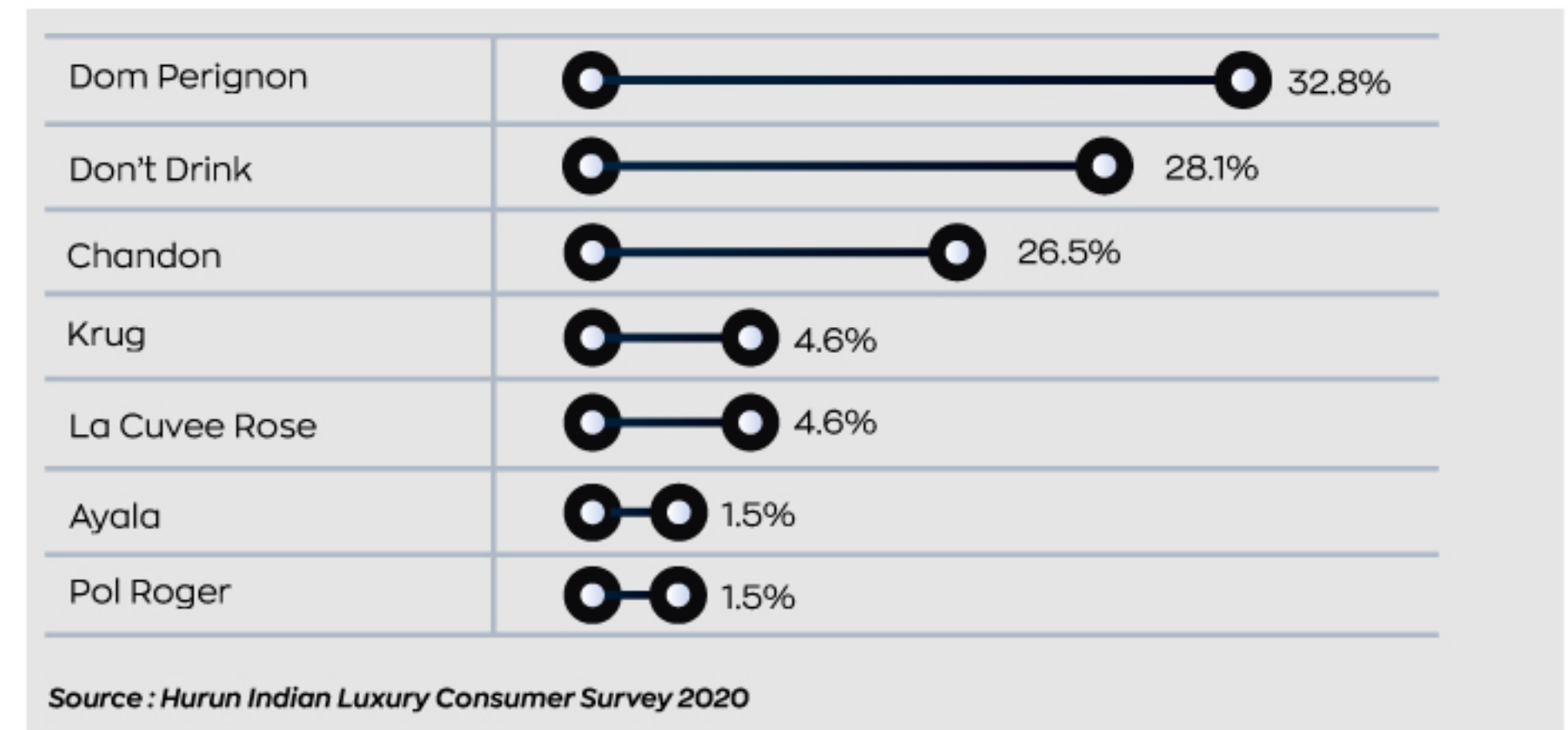


Drinks

Popular Imported Spirit Brands



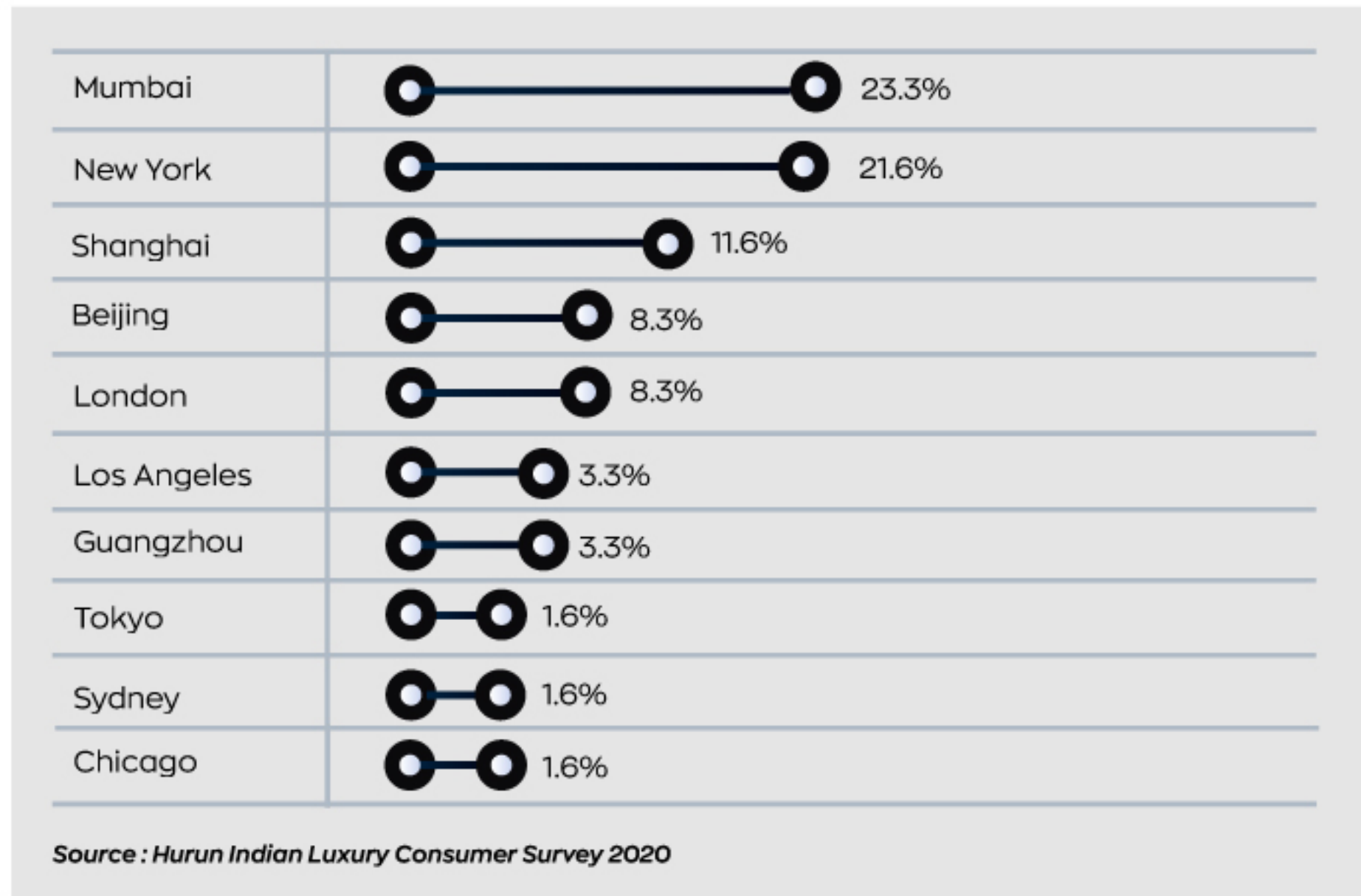
Popular Champagne Brands



Most Important Global City

USA's big apple, New York City and India's financial capital Mumbai was regarded to be the two most important global cities by the HNI community. While New York holds the first position, and Mumbai the second, the latter can still draw some inspiration from the financial capital of the world. However, one can attribute these rankings to the financial prominence of all these cities.

Most Important Global City In 10 Years



Investment Preferences

Wealth comes along with a responsibility. It is the practice of a rich mindset that makes it grow. Along with keeping a distant vision, the wealthy usually work on building institutions that will generate revenues for them in future. Investor confidence in the economy is what matters most when investment takes place. Our survey results reveal that the proportion of 'very confident', 'confident' and 'pessimistic' investors are 33%, 47% and 20%, respectively. In terms of investment philosophy, 19% of HNI's are currently embracing the investment philosophy of avoiding risk, while 17% are not yet sure. On the other hand, circa 41% are making active investments.

Investment & Economic Confidence Index

India's real GDP is estimated to contract by 7.7% in 2020-21, compared to a growth rate of 4.2% in 2019-20, with Real GVA (Gross Valued Added) shrinking by 7.2%, according to advance estimates by the National Statistical Office (NSO).

Only two sectors are estimated to record positive growth in GVA in 2021, with Agriculture expected to continue its strong run through the first half of the year to the second half (3.4%) and Utilities such as electricity, gas, water supply and other utility services (2.7%).

The sharpest decline in the pandemic-dented year is expected in sectors such as Trade, Hotels, Transport, Communication, and Services related to broadcasting (-21.4%), followed by Construction (-12.6%), Mining and quarrying (-12.4%) and Manufacturing (-9.4%). Public Administration, Defence, and other services are also projected to contract by 3.7%, while Financial, Real Estate, and Professional Services shall record a marginal 0.8% decline year-on-year, as per the advanced estimates.

The Economic Survey has reported that India's GDP is projected to record a growth of 11% in 2021-22, while nominal GDP (excluding inflation) may expand 15.4% after the 7.7% pandemic-driven contraction in 2020-21.

India is presently known as one of the most important players in the global economic landscape. Going by the estimates of the Government of India, the country will need an investment of USD 4.5 trillion to build sustainable infrastructure by 2040. In November 2020, Prime Minister Narendra Modi invited investors to participate in the Indian smart cities project pipeline (worth about USD 30 billion), of which projects worth USD 20 billion are already underway.

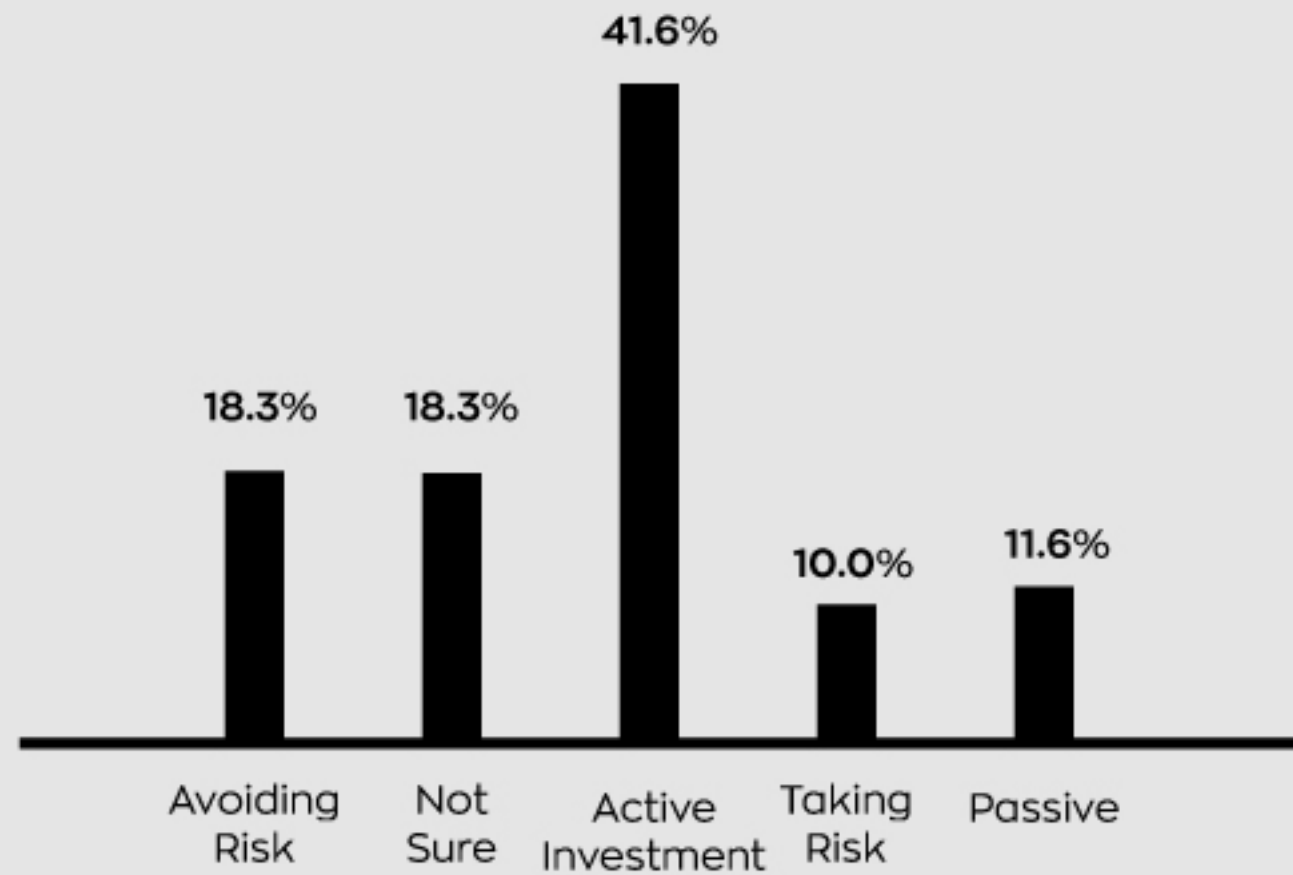
Government initiatives like 'Make in India' and 'Ease of Doing Business in India' are expected to boost PE/VC investments in the country. Investors expect an increase in mergers and acquisitions (M&A) activities in FY 2020-21. Private Equity - Venture Capital (PE-VC) companies expanded from USD 36.3 billion (1,012 deals) in 2019 to USD 39.2 billion (across 814 deals) in 2020.

Investment & Economic Confidence Index

To realise the full potential of the Atma Nirbhar Bharat project, India is encouraging global investors to finance the energy sector. By 2030, the oil and natural gas sector in India is projected to attract over ~USD 300 billion investments. Also, the Government of India is aiming to double the share of natural gas in its energy base to 15% by 2030. Budget 2021 may provide aids to manufacturers of luxury goods. In 2020, the luxury industry was severely impacted with the majority of the purchases inclining towards the essentials and necessities. The pandemic has also made consumers more mindful of their purchases. They perceive luxury items as an investment that will last them longer and be timeless in their design and aesthetics. The budget should aid a boost in consumption by reducing the taxes on personal income as the ever-growing middle class has the most disposable income in our country today.

With the current travel restrictions, the purchase of luxury items such as home furnishings, garments, accessories, jewellery, or electronics is poised to register growth. India is yet to see a full recovery, and might also catch on to the trend of revenge consumption like it happened in China among the higher income group thereby, boosting the sale of luxury items.

Investment Philosophy

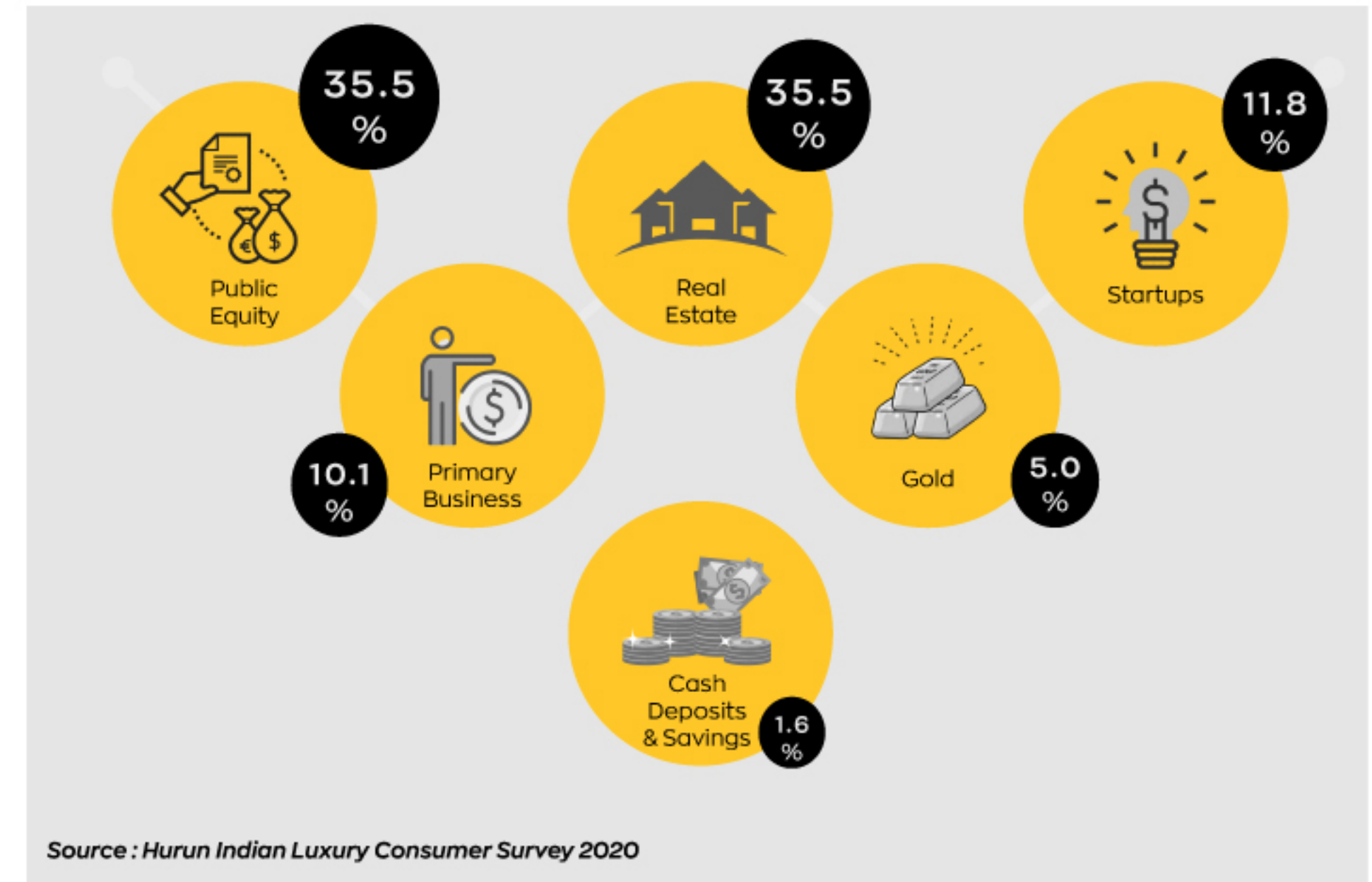


Source : Hurun Indian Luxury Consumer Survey 2020

Preferred Investment Asset Class

Based on a research by Fidelity Investments, the top sources of assets for self-made millionaires were listed as investments, compensation and ESOPs, and profit-sharing. On the other hand, for those who inherited wealth, entrepreneurship and real estate investments have proved to be the main sources of assets. However, when we asked the survey respondents about their wealth allocation preferences, around 35% of them were inclined towards making investments in public equity, while 35% preferred real estate. Additionally, start-up investments are gradually gaining a foothold in the investment spectrum of the wealthy.

Preferred Assets for Personal Investment

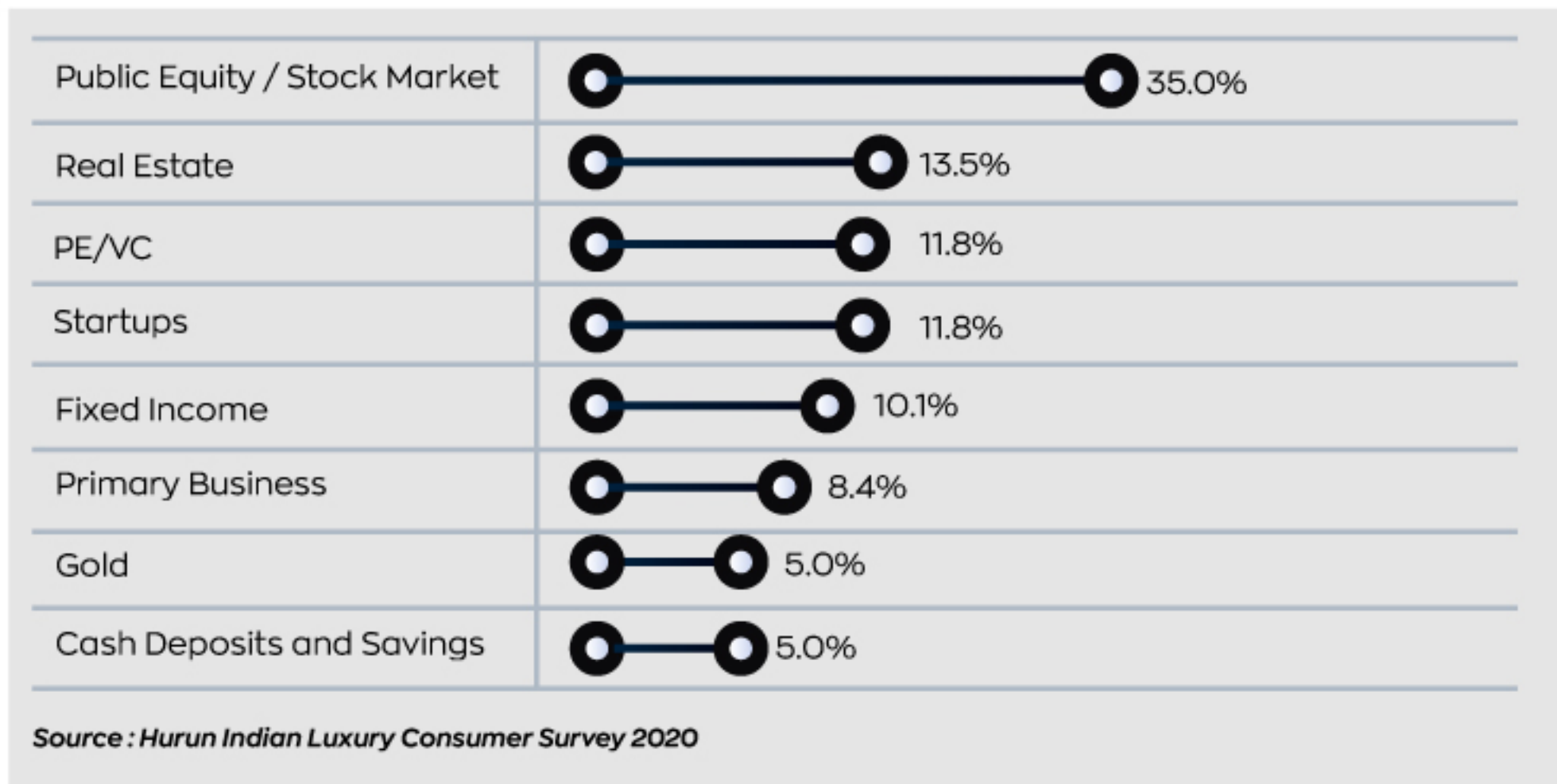


Source : Hurun Indian Luxury Consumer Survey 2020

Investment Fluctuations

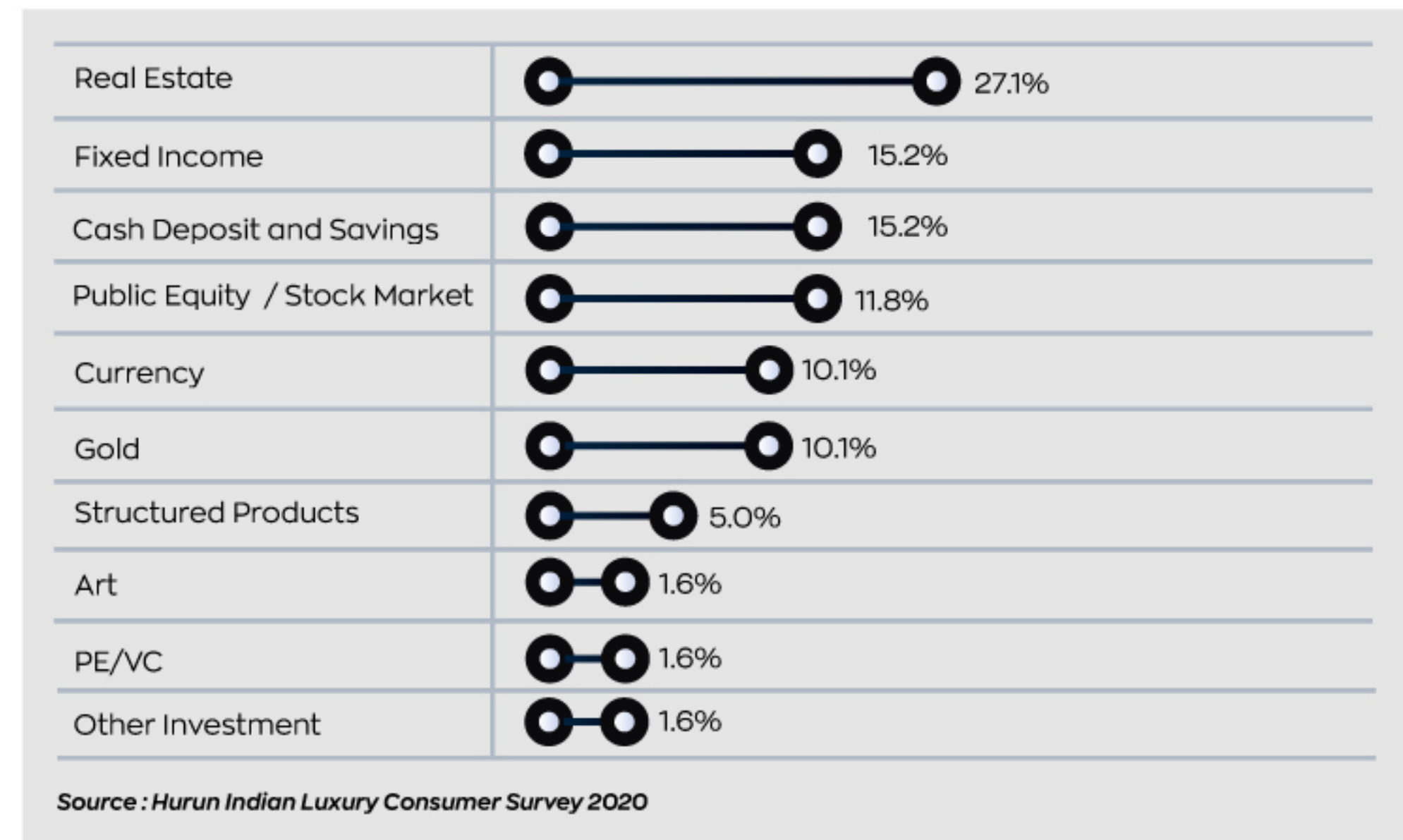
Around 35% of the survey respondents chose to increase investment allocation to public equity and the stock market in next three years. After public equity and the stock market, 13.5% of the respondents opted for real estate, alternative investment funds and start-ups - where each asset classes are expected to witness a positive movement in the next three years. Furthermore, 26% of the respondents wanted to reduce allocation into real estate in the short term, and around 16% each prefer to reduce allocation into fixed income, cash deposit and savings.

Future Investment To Increase In Next 3 Years



Investment Fluctuations

Future Investment To Decrease In Next 3 years



Preferred Overseas Investment Destinations

The USA is the most sought-after overseas destination, as it is regarded as a stable economy. The next choice of investment destination by millionaire individuals is Singapore, followed by the UAE.

Overseas Investment Destinations



Source : Hurun Indian Luxury Consumer Survey 2020

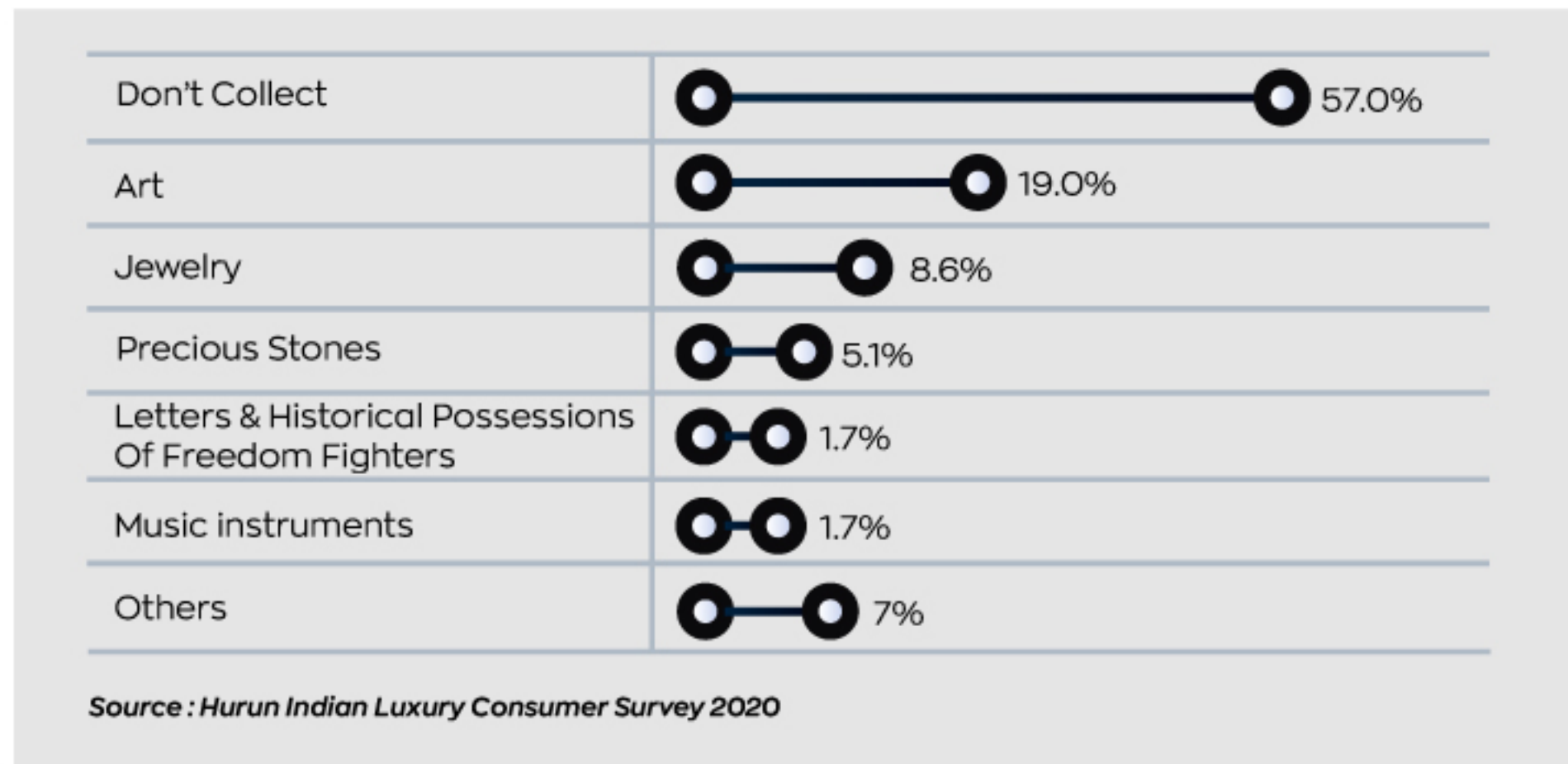
Hobbies, Happiness & Heirs

This section revolves around the three H's of the HNI lifestyle: Happiness, Hobbies and Heirs.



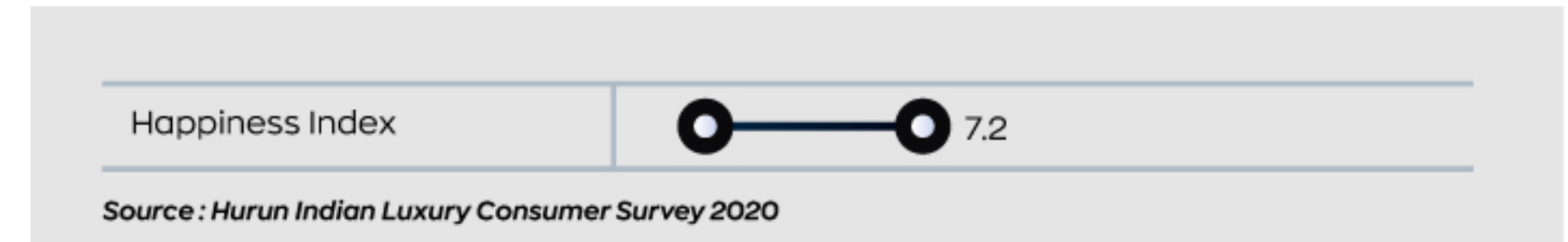
Collection Hobbies

Given the extravagant lifestyle of the HNI's, it is remarkable to note that 57% of the surveyed HNI's do not collect any popular items. Others have varied interests towards collecting antique-art, jewelry and precious stones. Apart from these, unique hobbies such as collecting letters and historical possessions of freedom fighters and musical instruments are also observed.

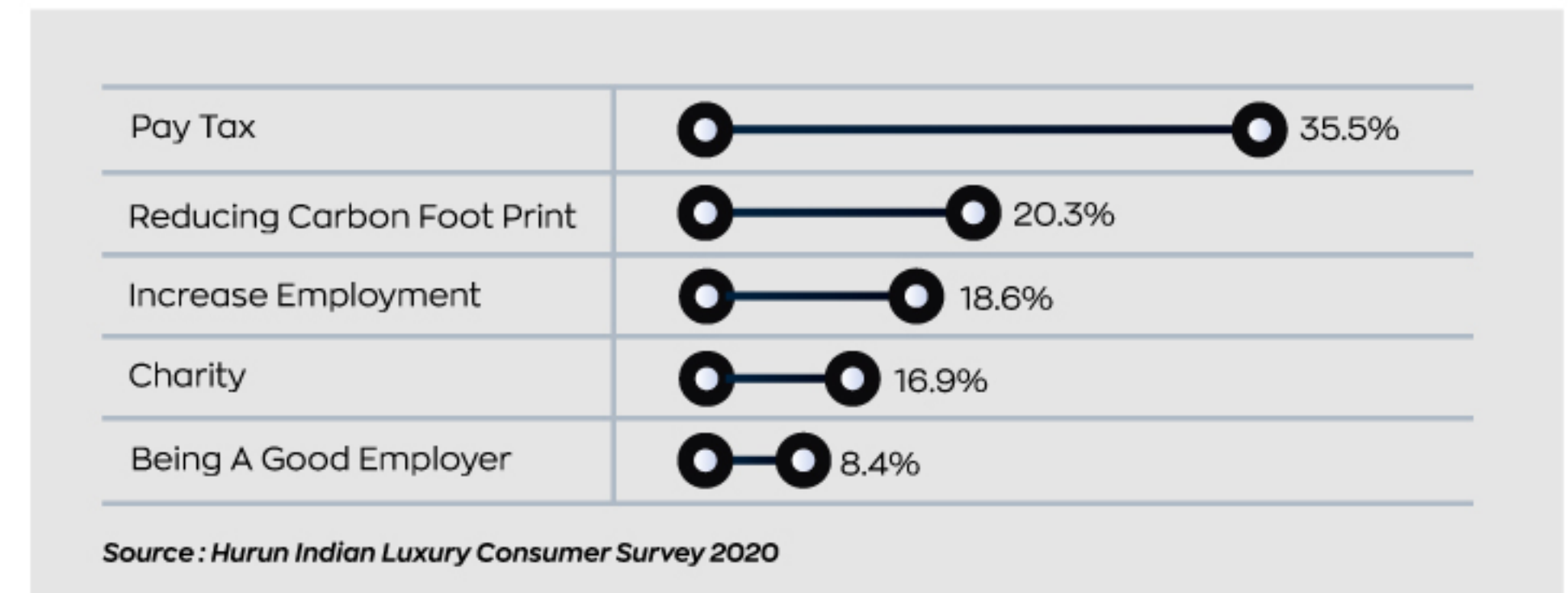


Happiness Index & Social Responsibility

The overall happiness index among the HNI's scored 7.23 points out of 10.



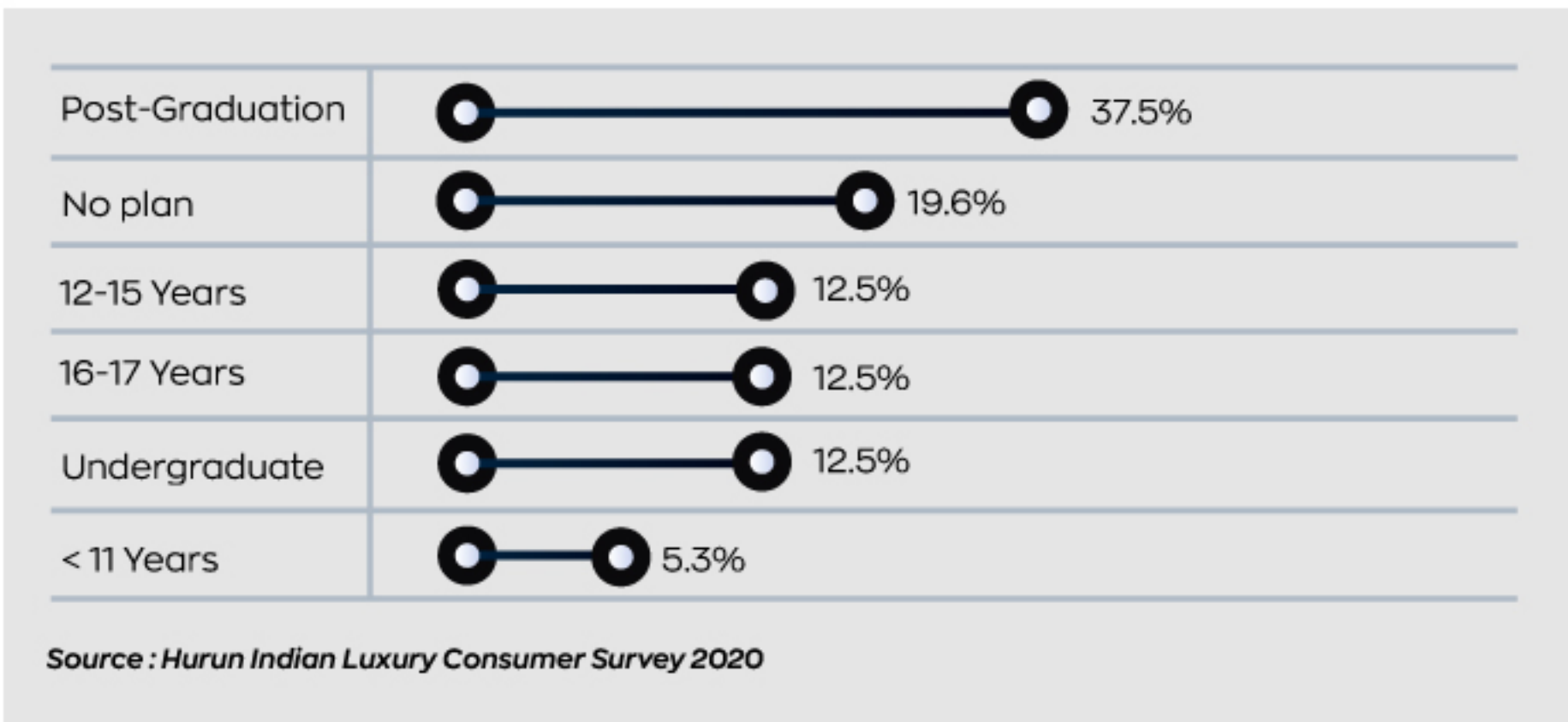
Being socially responsible is one aspect that is usually tied with happiness. The top three causes through which millionaires prefer remaining socially responsible are: paying taxes, contributing towards tackling environmental issues by reducing carbon foot print, and fostering employment generation.



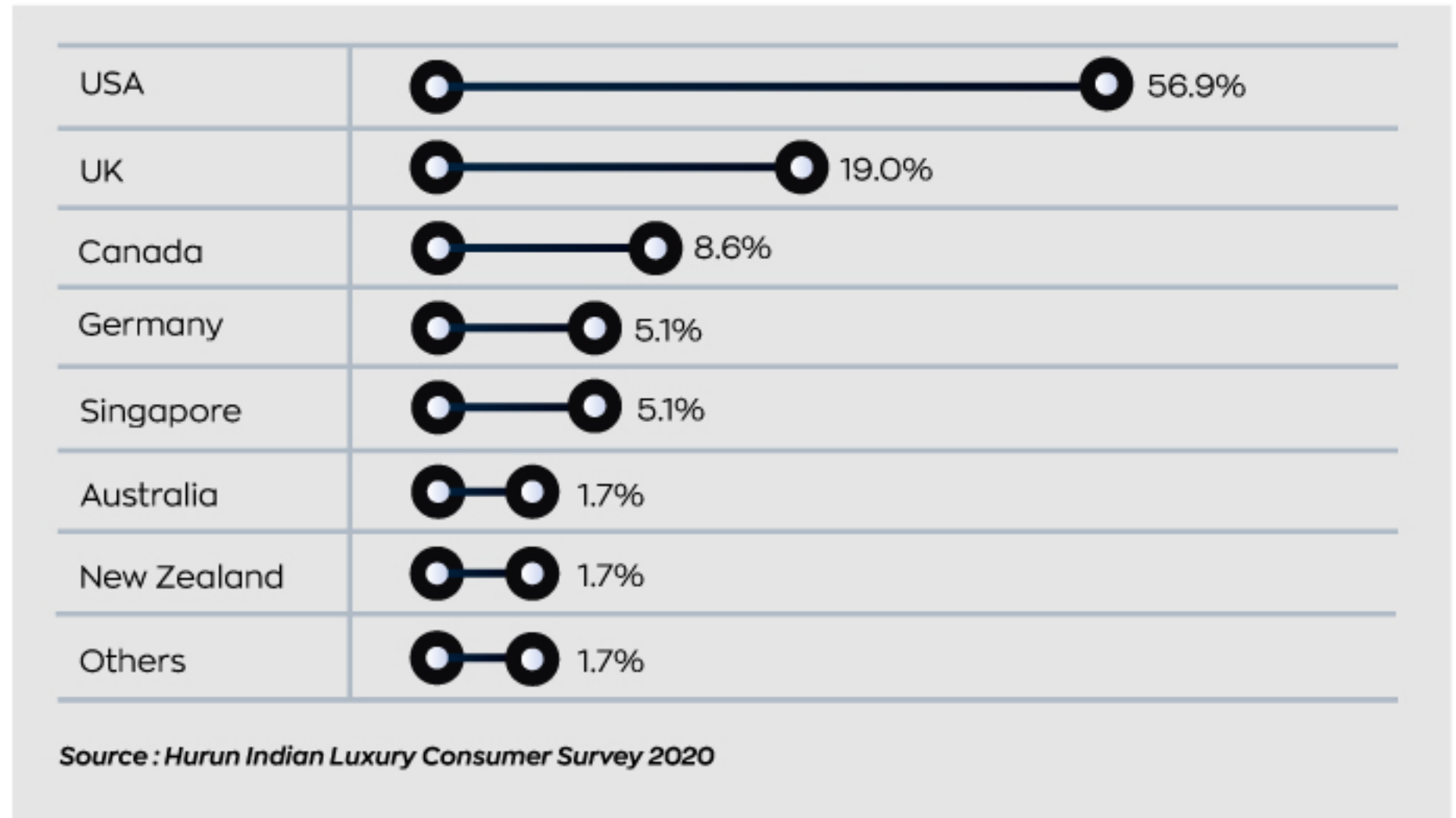


In terms of sending their children for international education, most of the respondents do not have any concrete plans as of yet. One-third of the HNI's prefer sending their kids abroad for post-graduate studies, 12.5% prefer sending them for under-graduate studies, and almost 19.6% of the millionaires have no such plans yet. The USA, UK, Canada and Germany are the most preferred destinations by the millionaire community when it comes to their children's education in an overseas location.

Preferred Age To Send Children Overseas For Education



Preferred Country For Children's Overseas Education



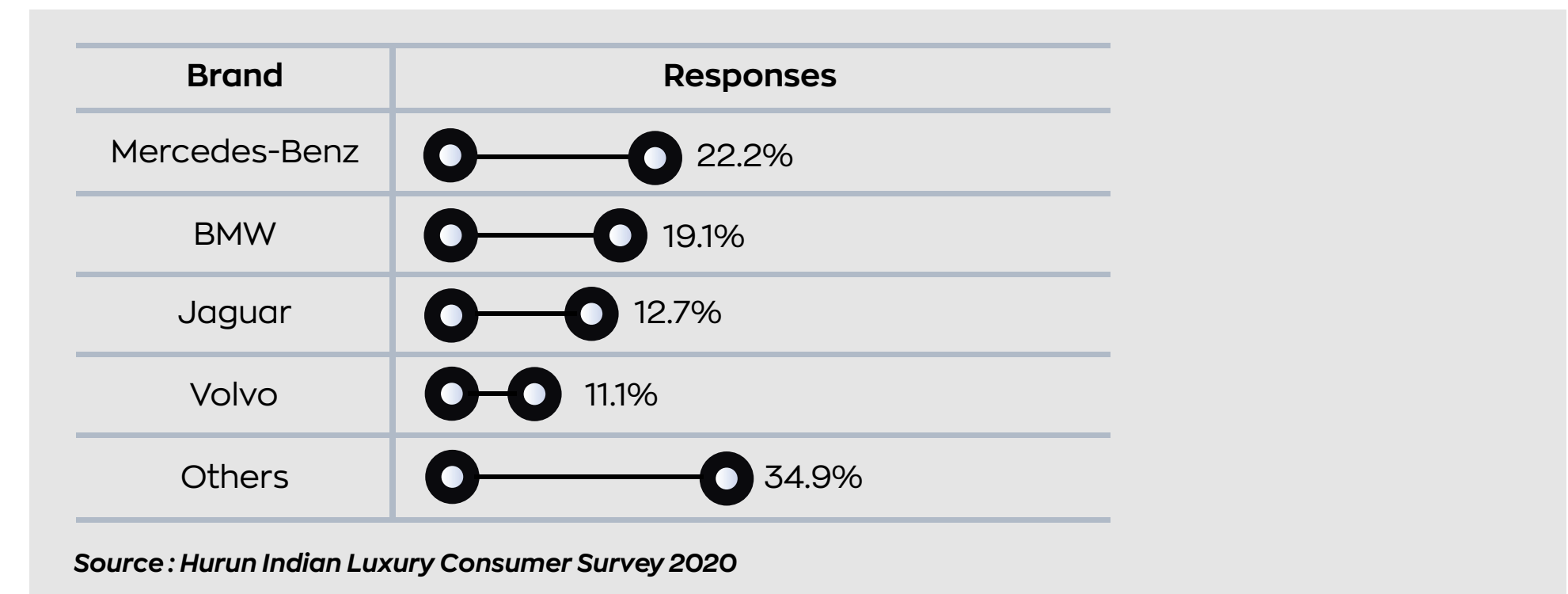
Hurun Indian Luxury Consumer Brands Survey 2020

The Hurun Indian Luxury Consumer Survey 2020 was conducted amongst 449 millionaire households worth more than INR 7 crores. This survey provides the readers with some millionaire-specific insights, like the data on changing patterns and preferences of lifestyle, consumption habits, investment decisions, and brand awareness amongst the major wealth creators of the country. Our survey respondents are some of the leading millionaires in India.



Which of the following brands would you prefer if you were to purchase a luxury car today?

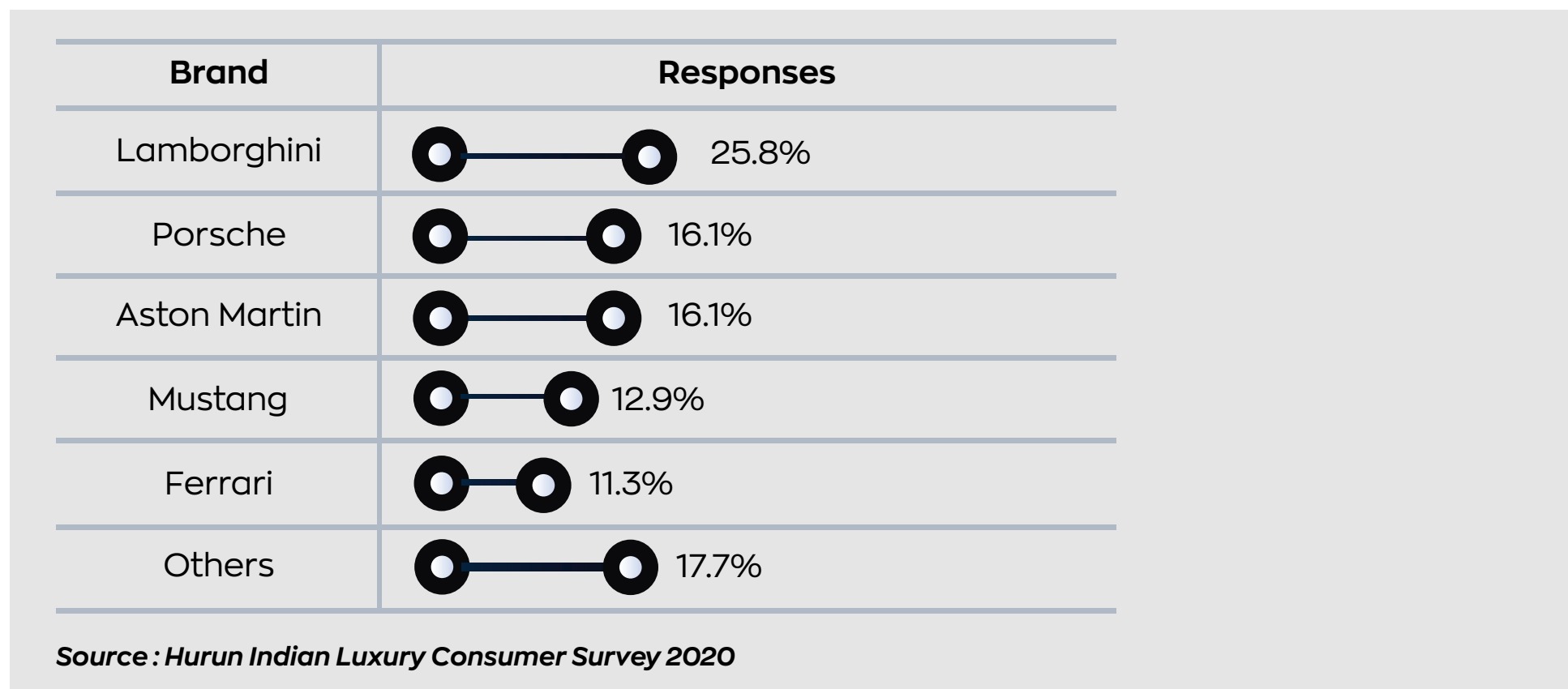
The table provides information regarding the preference for luxury cars amongst the rich. The survey respondents were provided with 9 options.



Hurun Indian Luxury Consumer Brands Survey 2020

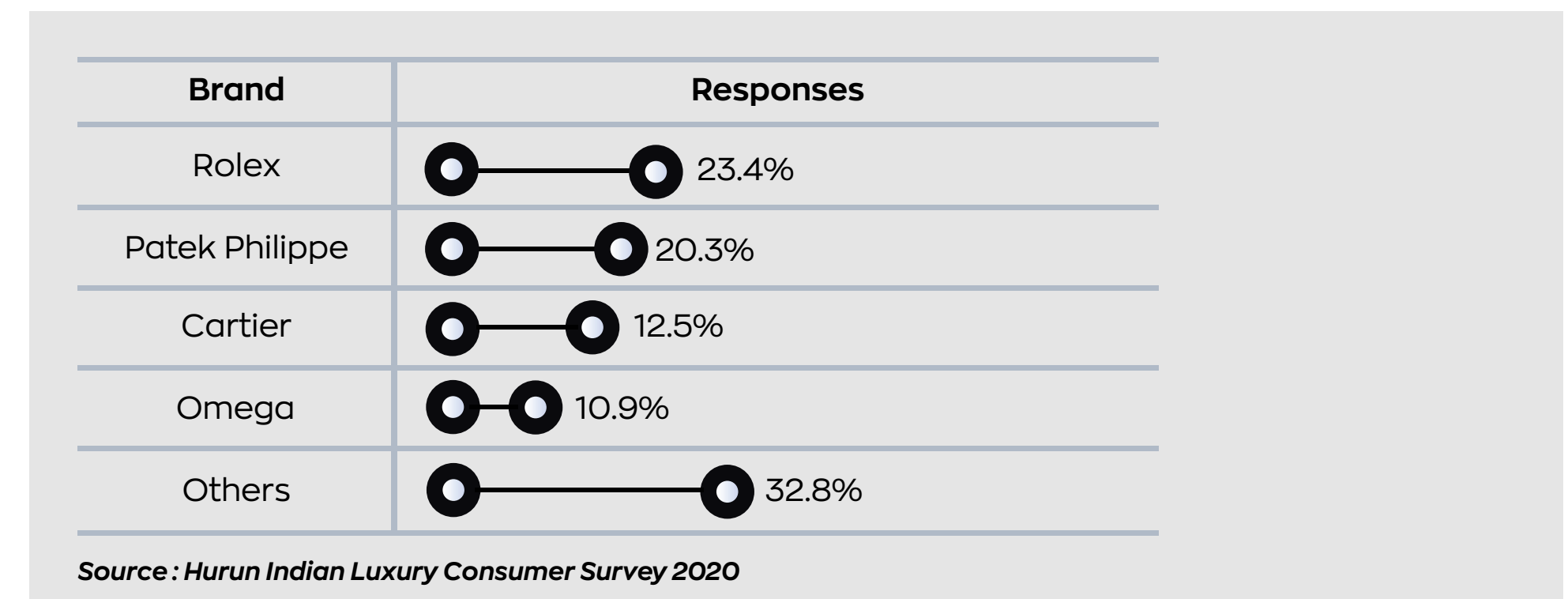
Which of the following brands would you prefer if you were to purchase a sports car today?

The table provides information regarding the preference for sports cars amongst the rich. The survey respondents were provided with 11 options.



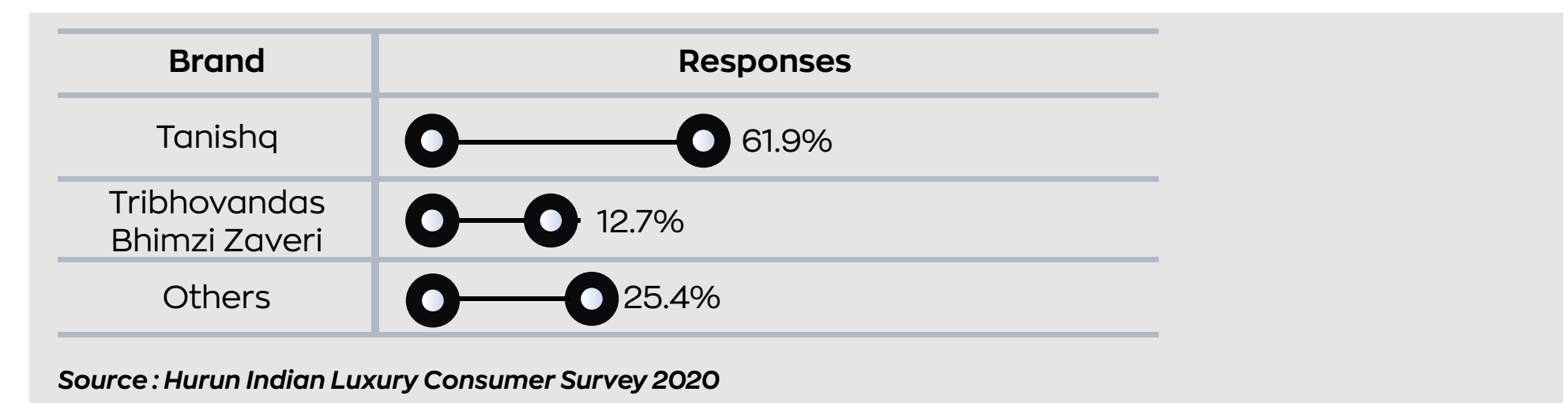
Which of the following brands would you prefer if you were to purchase a watch today?

The table provides information regarding the preference for luxury watches amongst the rich. The survey respondents were provided with 21 options.



An Indian jewelry brand you would prefer

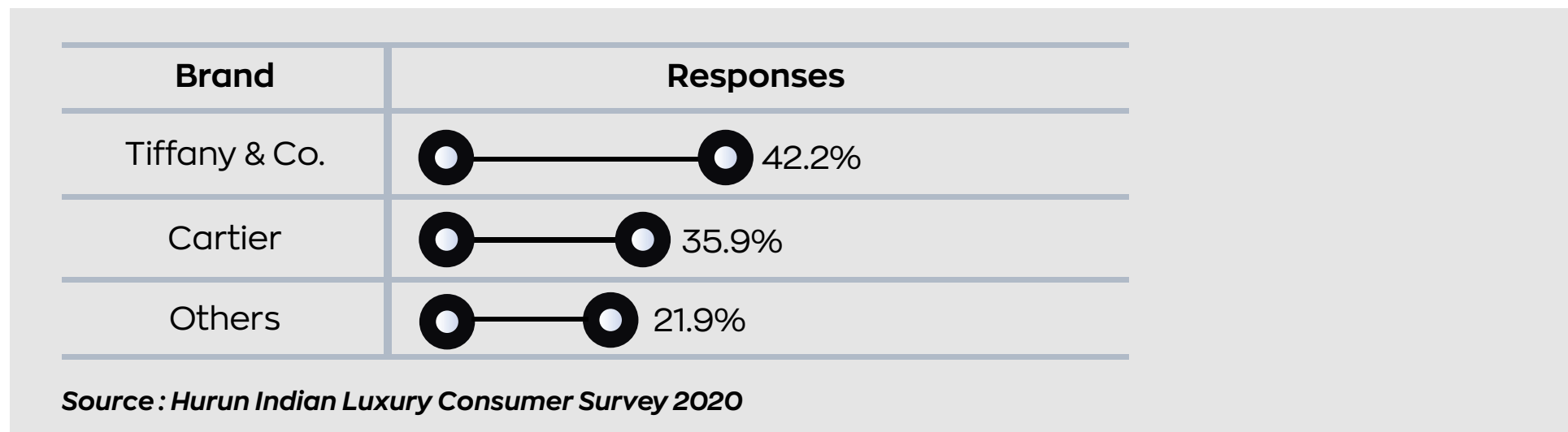
The table provides information regarding the preference for Indian jewelry brands amongst the rich. The survey respondents were provided with 10 options.



Hurun Indian Luxury Consumer Brands Survey 2020

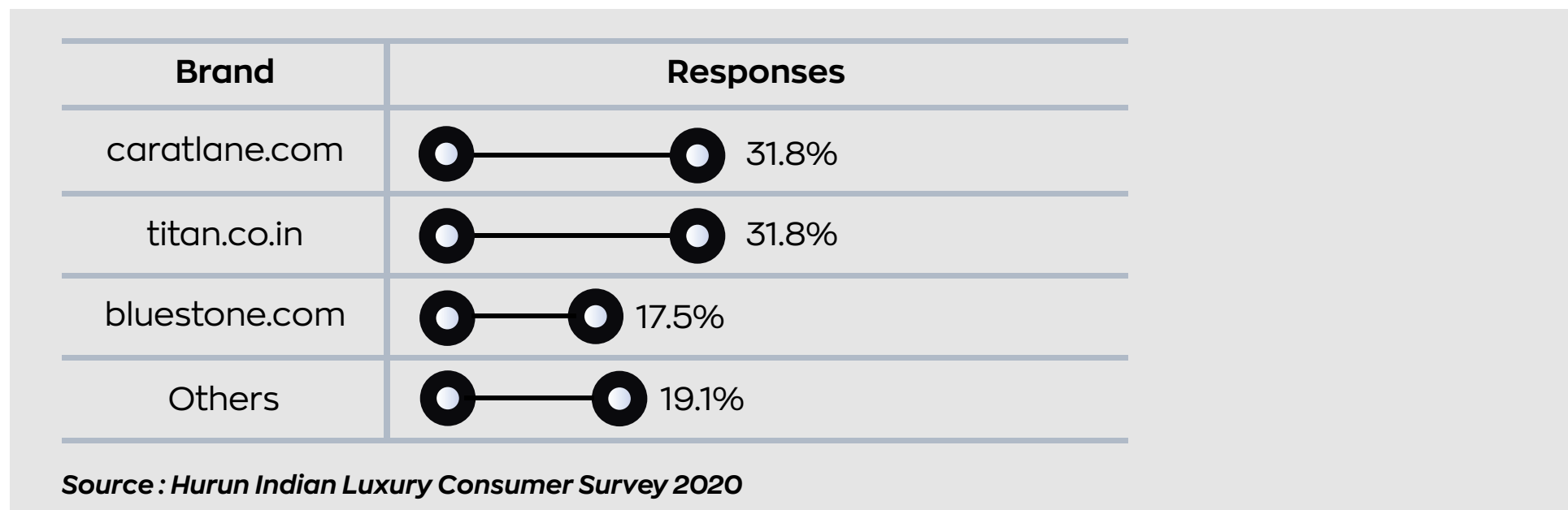
An International jewelry brand you prefer

The table provides information regarding the preference for international jewelry brands amongst the rich. The survey respondents were provided with 9 options.



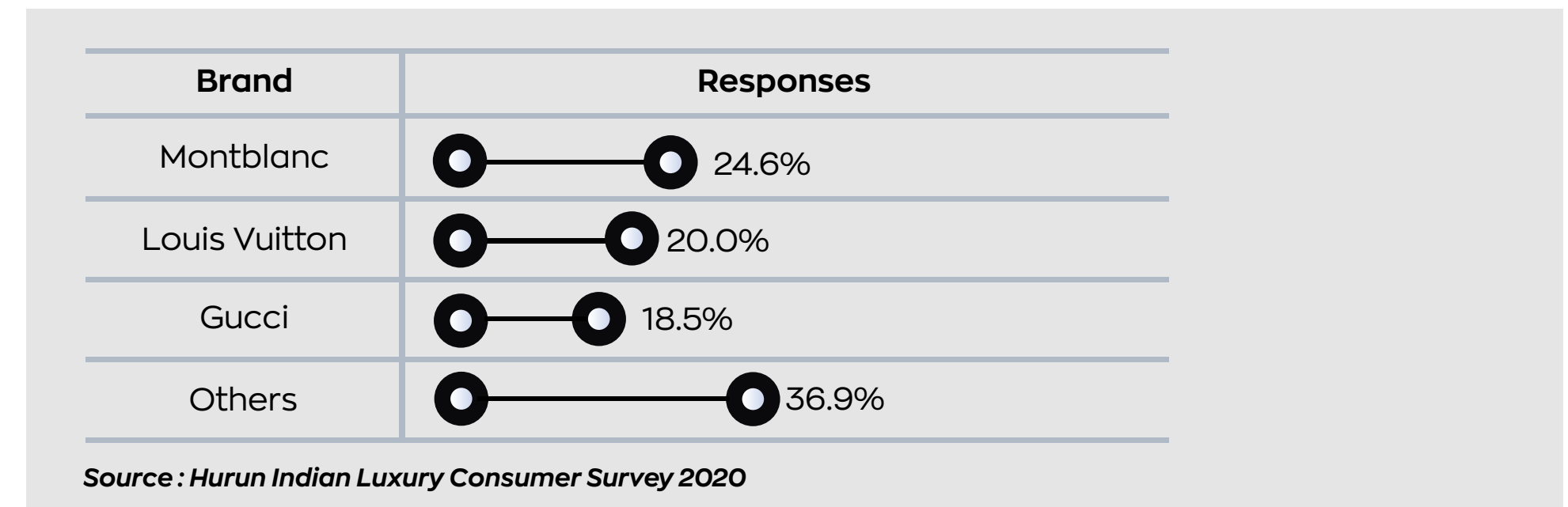
Your preferred Online Jewelry website

The table provides information regarding the preference for online jewelry websites amongst the rich. The survey respondents were provided with 8 options.



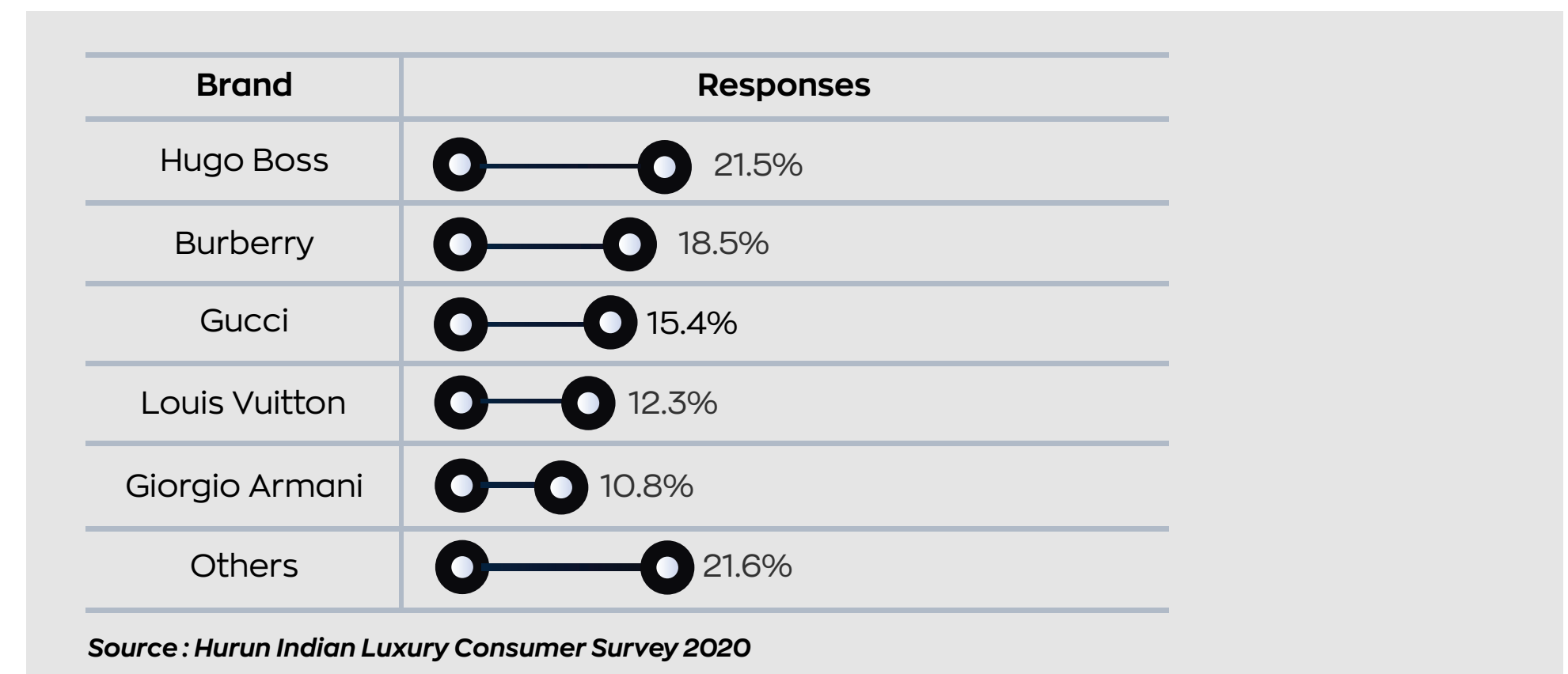
The Accessories brand you prefer the most

The table provides information regarding the preference for accessory brands amongst the rich. The survey respondents were provided with 11 options.



The Fashion brand you prefer the most

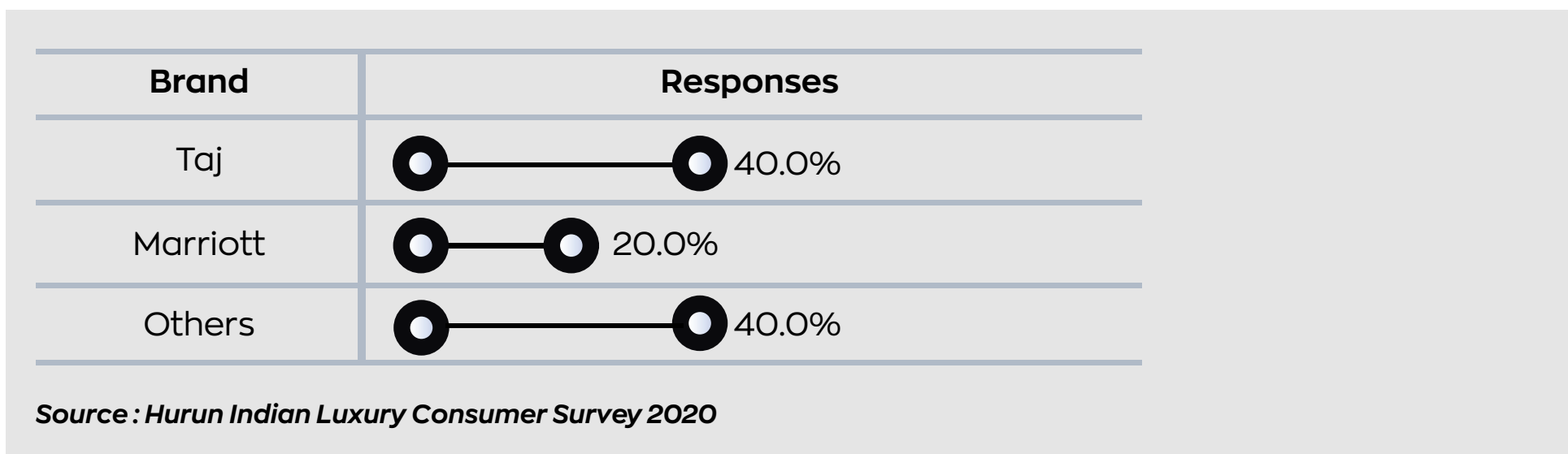
The table provides information regarding the preference for fashion brands amongst the rich. The survey respondents were provided with 13 options.



Hurun Indian Luxury Consumer Brands Survey 2020

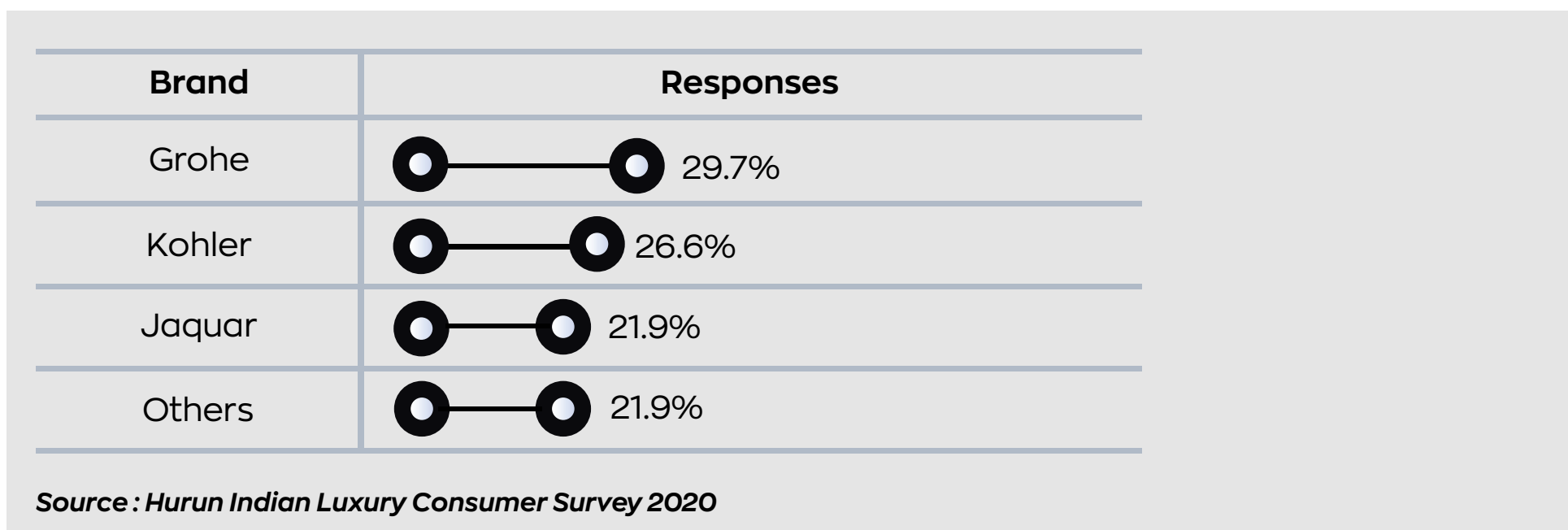
The Hotel Chain you prefer the most

The table provides information regarding the preference for hotel chains amongst the rich. The survey respondents were provided with 18 options.



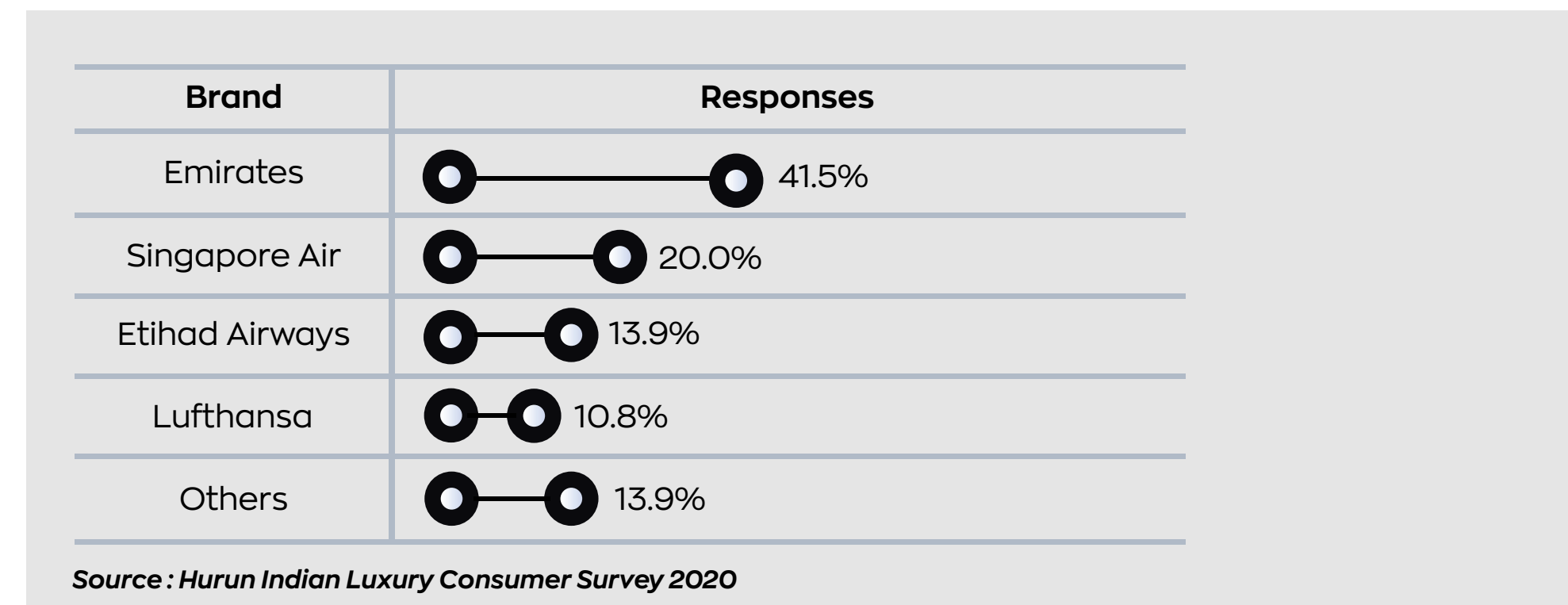
If you were to buy kitchen and bathroom products, which brand would you prefer

The table provides information regarding the preference for brands of kitchen and bathroom products amongst the rich. The survey respondents were provided with 12 options.



Your Preferred Business/First Class Airline

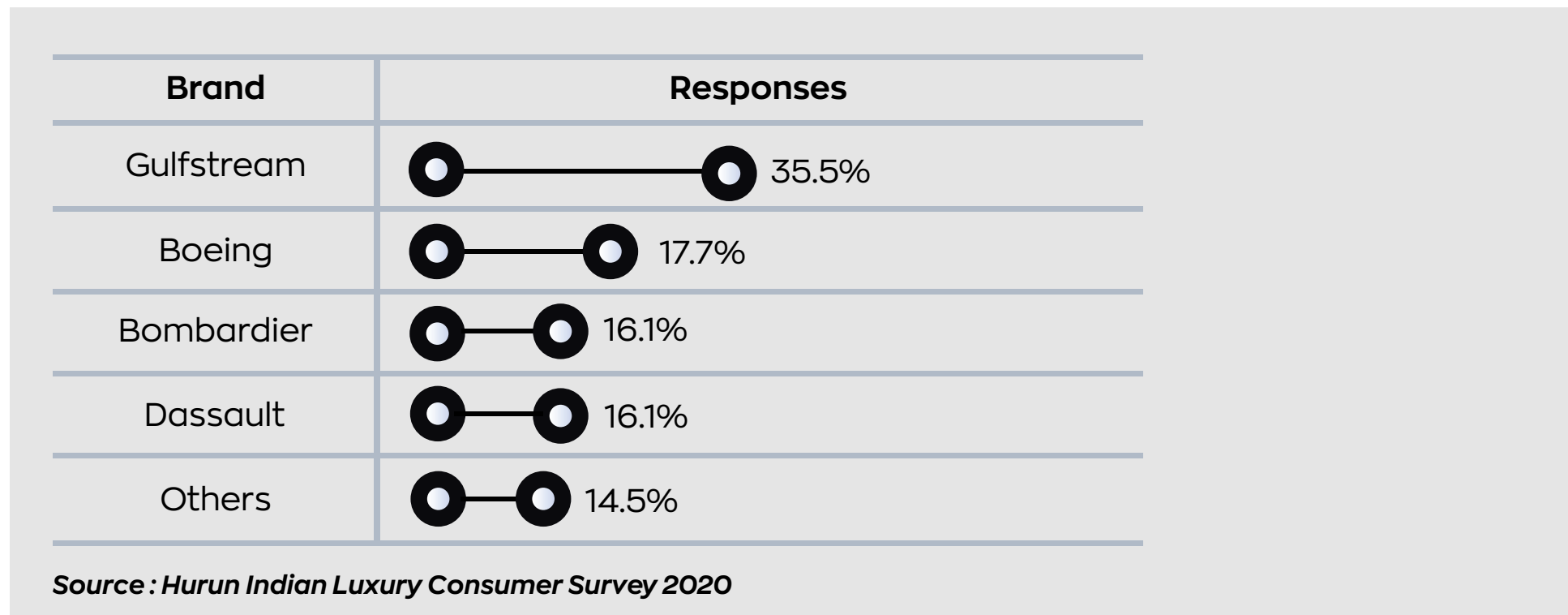
The table provides information regarding the preference for business/first class airline amongst the rich. The survey respondents were provided with 13 options



Hurun Indian Luxury Consumer Brands Survey 2020

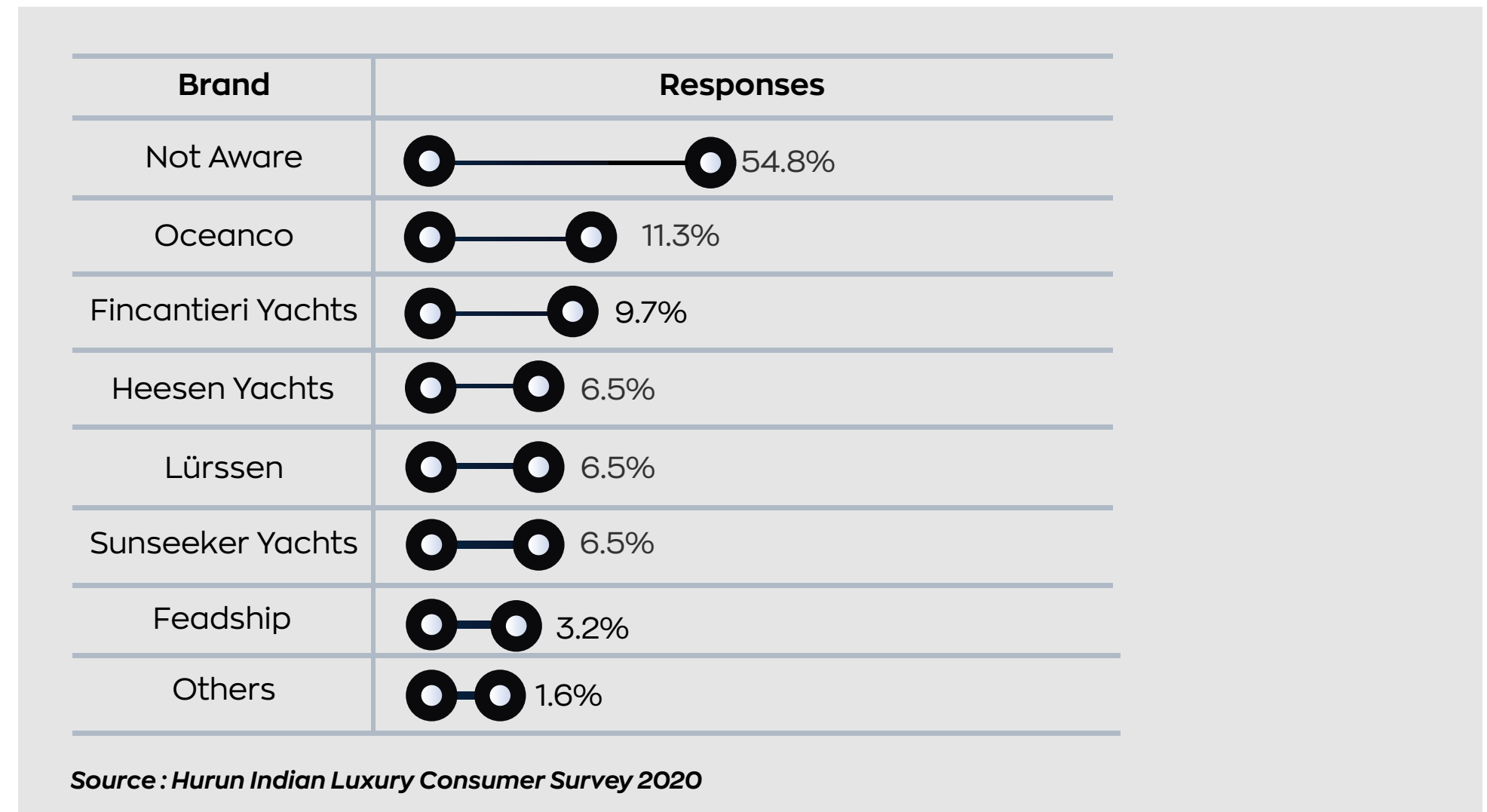
If you were to buy a private jet today, which brand would you prefer? or alternatively, which private jet brand is the most familiar to you?

The table provides information regarding the preference for private jet brands amongst the rich. The survey respondents were provided with 10 options.



Which of the following brands would you prefer if you were to purchase a yacht today? or alternatively, which yacht brand is the most familiar to you? (Select only one.)

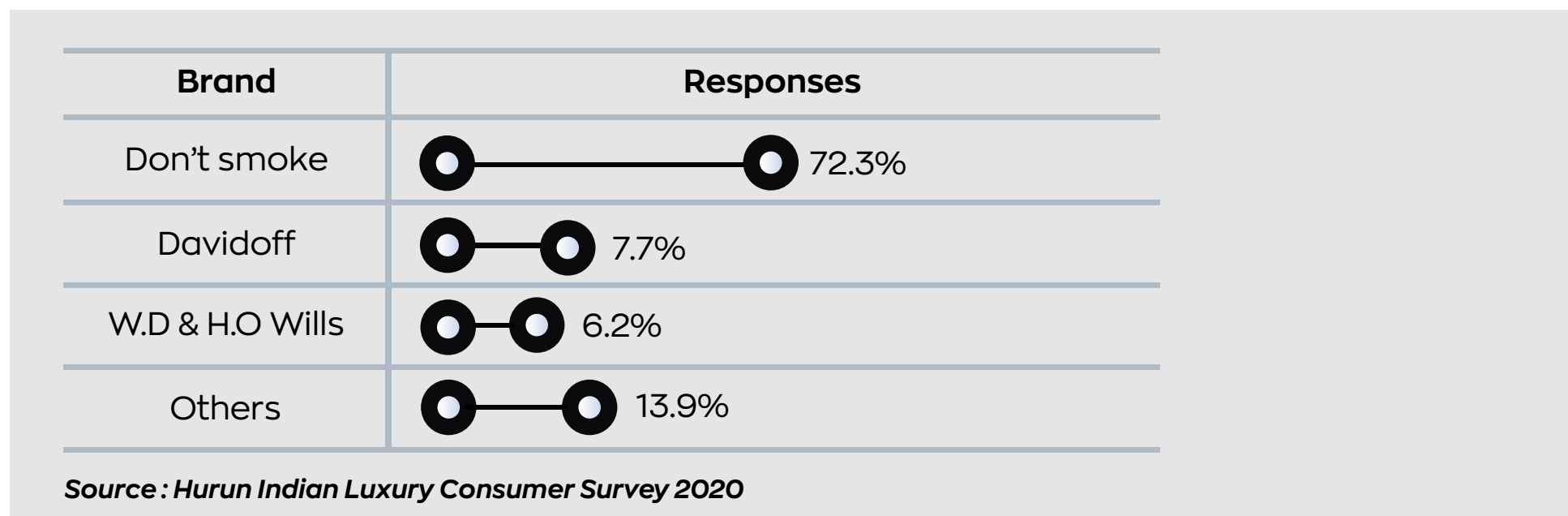
The table provides information regarding the preference for yacht brands amongst the rich. The survey respondents were provided with 8 options.



Hurun Indian Luxury Consumer Brands Survey 2020

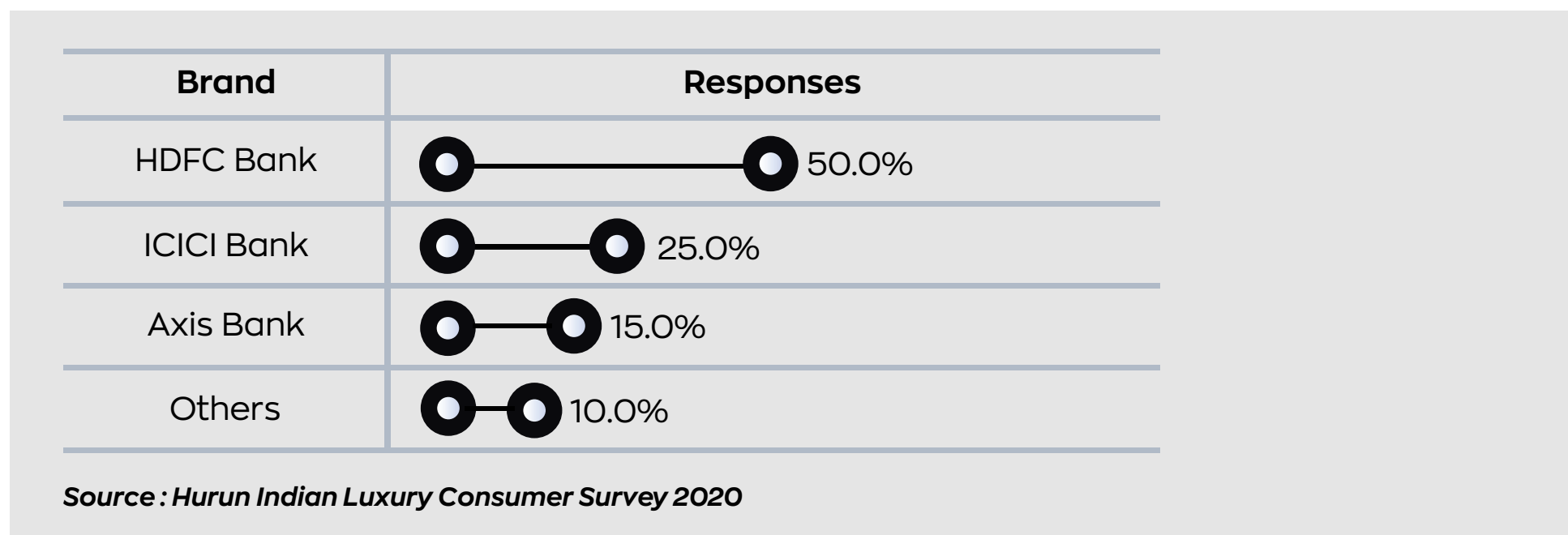
Your Preferred Tobacco brand

The table provides information regarding the preference for tobacco brands amongst the rich. The survey respondents were provided with 8 options.



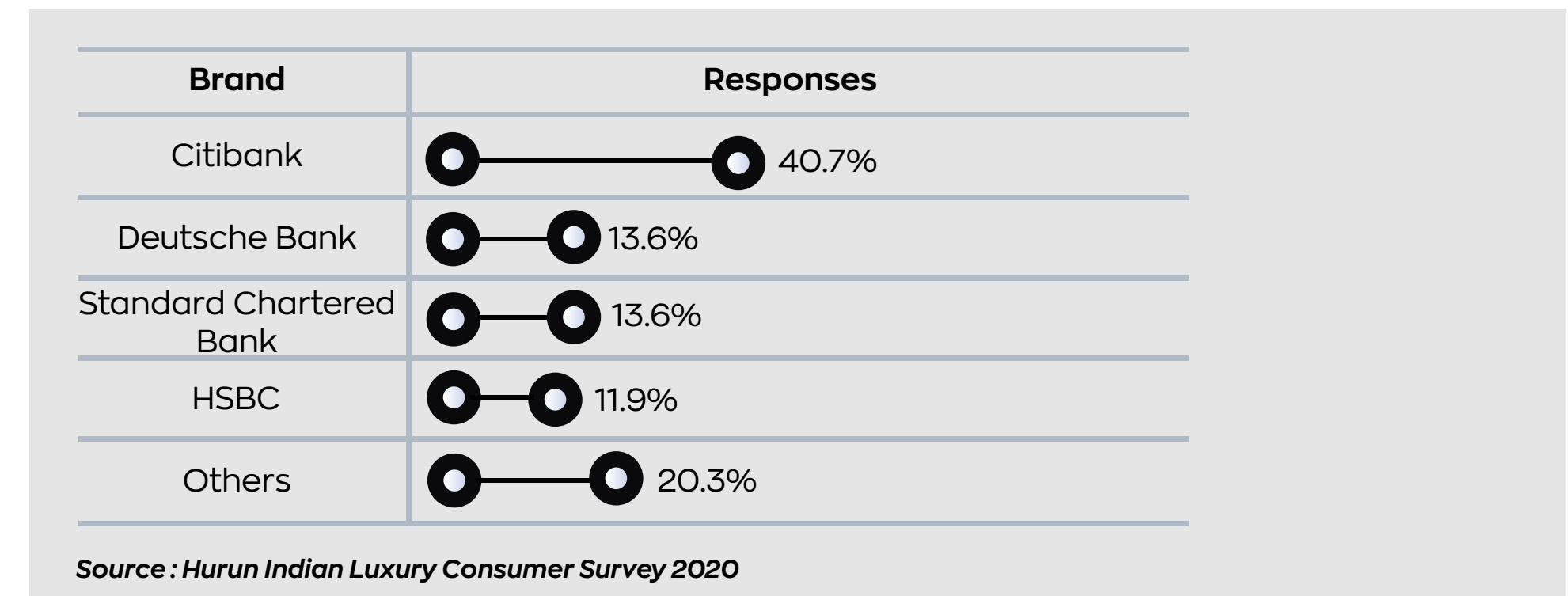
Your Preferred Indian Private Bank

The table provides information regarding the preference for Indian private banks amongst the rich. The survey respondents were provided with 7 options.



Your Preferred Global Private Bank

The table provides information regarding the preference for global private banks amongst the rich. The survey respondents were provided with 9 options.



Hurun Indian Luxury Consumer Brands Survey 2020

Preferred Financial Services - Investment Services (Domestic)

The table provides information regarding the preference for domestic financial services/investment advisors amongst the rich. The survey respondents were provided with 12 options.

Brand	Responses
Don't know	20.3%
HDFC Wealth Management	13.6%
IIFL Wealth Management	13.6%
Motilal Oswal Financial Services	11.9%
Others	40.7%

Source : Hurun Indian Luxury Consumer Survey 2020

Preferred Financial Services- Investment Services (International)

The table provides information regarding the preference for international financial services/investment services amongst the rich. The survey respondents were provided with 12 options.

Brand	Responses
Don't know	35.6%
Citi Wealth Management	11.9%
JP Morgan	11.9%
Others	40.7%

Source : Hurun Indian Luxury Consumer Survey 2020

Hurun Indian Luxury Consumer Brands Survey 2020

Your Preferred Credit Card

The table provides information regarding the preference for credit card companies amongst the rich. The survey respondents were provided with 9 options.

Brand	Responses
AMEX Credit Card	36.7%
HDFC Credit Card	33.3%
Citibank Credit Card	21.7%
Others	8.3%

Source : Hurun Indian Luxury Consumer Survey 2020

Your Preferred Life Insurance

The table provides information regarding the preference for life insurance companies amongst the rich. The survey respondents were provided with 9 options.

Brand	Responses
LIC	39.0%
HDFC Life	17.0%
ICICI Prudential	13.6%
Bajaj Allianz Life	10.2%
Others	20.3%

Source : Hurun Indian Luxury Consumer Survey 2020

Hurun Indian Luxury Consumer Brands Survey 2020

Your Preferred Luxury International Cruise Line

The table provides information regarding the preference for luxury international cruise lines amongst the rich. The survey respondents were provided with 9 options.

Brand	Responses
Oceania Cruises	18.2%
Crystal Cruises	12.7%
Cunard	12.7%
Viking Cruises	12.7%
Regent Seven Seas	10.9%
Abercrombie & Kent	10.9%
Others	21.8%

Source : Hurun Indian Luxury Consumer Survey 2020

Awards

The Hurun Research Institute today releases the Hurun Best of the Best Awards 2020, based on the results of the Hurun India Luxury Consumer Survey. Based on the survey we are giving symbolic awards to the most preferred brands in the luxury segment.

Fashion and Accessories

Preferred Fashion Brand

Hugo Boss

Preferred Accessory Brand

Mont Blanc

Preferred Watch Brand

Rolex

Indian Jewelry Brand

Tanishq

Preferred International Jewelry Brand

Tiffany & Co.

Automobiles

Preferred Auto Brand

Mercedes-Benz

Preferred Super Luxury Auto Brands

Rolls Royce, Bentley

Preferred Super Luxury Sports Car

Lamborghini

Home Appliances

Preferred Indian Luxury Kitchen / Bathroom Brand

Jaquar

Preferred Foreign Luxury Kitchen/ Bathroom Brand

GROHE

Hotels and Airlines

Preferred Hotel Brand

Taj

Preferred Business/First Class

Emirates

Preferred Business Jets

Gulfstream

Liquor & Tobacco

Preferred Indian Spirits

Sula

Imported Spirits

Johnny Walker Blue Label

Preferred Champagne

Dom Perignon

Preferred Tobacco

Davidoff

Financial Services

Popular Financial Service Provider (Domestic)

HDFC Wealth Management and IIFL Wealth Management

Preferred Financial Service Provider (International)

JP Morgan and Citi Wealth Management

Popular Method of Payment

VISA and MasterCard

Popular Life Insurance Service Provider

LIC



Methodology

The Hurun India Wealth Report 2020 investigates the quantity and geographical distribution of Millionaires, High-Net-Worth, Super-High-Net-Worth and Ultra-High-Net-Worth Families in India. The report details the geographical distribution by state and city, based on the long-term residence of millionaires. The basis of the data is calculated up to the 1 January 2021.

The report takes into account both fixed assets and current assets of the survey respondents. Fixed assets include self-owned listed or unlisted stock rights, owner-occupied real estate, and investment real estate. Current assets consist of shares, funds, debenture shares, deposits and insurance.

The Hurun Report compiled this using the 'bottom-up' and 'top-down' research approach. The 'bottom-up' research approach takes into account the quantity of high-end real estate across the regions, the sales volume of luxury cars in the past three years, individual income tax returns, the registered capital of enterprises, and other high-end consumer indicators. In addition to all of the above, the report analyzed around 5,000 private enterprises with paid-up capital of INR 50 lakhs (INR 5,000,000) or more. The 'top-down' research approach is based on indicators such as GDP, GDSP, National Statistical Office, combined with a Lorenz curve model to create a macro statistical analysis.



“Promoting Entrepreneurship
Through Lists and Research”

CONTACT

☎ +91 9995061106

✉ vineeth@hurunindia.net

🌐 www.hurunindia.net

